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20 May 1981

NEAR EAST/NORTH AFRICA REPORT

No. 2334

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WORLD ISLAMIC COURT NEARING REALITY

GF021052 Kuwait ARAB TIMES in English 1 May 81 p 1

[By Hamid Siddiqui]

[Text] Kuwait, 30 Apr--Jurists from 12 Muslim countries will meet in Jidda again on 24 October 1981 to consider the recommendations for giving a final shape to the proposed Islamic Court of Justice.

The decision was made by the experts committee of the Islamic conference organization at its concluding meeting here yesterday.

The chairman of the expert committee and Pakistan's Law and Parliamentary Affairs Minister Syed Sharifuddin Pirzada, describing the outcome of the meetings in Kuwait as constructive, told ARAB TIMES that there was consensus among all the members that the statutes of the Islamic Court of Justice should be drawn speedily.

"In view of the suggestions offered by the experts, a working group of five members has been set up which will study the various issues and it will hold its meeting in Tunis on 27 June to finalize its recommendations," he revealed.

Syed Pirzada, a well-known Pakistani jurist of international repute, said the main points for consideration by the expert committee would be whether the jurisdiction of the proposed court should be compulsory or optional; whether the disputed parties could only be member states of the ICO and whether the decisions of the court would be enforced.

The chairman said the consensus of opinion was that the law to be applied by the court would be drawn from the Holy Koran and the Islamic Sharia. A suggestion was made that the court may take into consideration the customary international law, provided it should not be contrary to the Islamic Sharia. Some members suggested that in addition to the disputes between member states, other matters like conciliation, mediation and arbitration should also be looked into.

"These are important and intricate issues which require deep study and research," Syed Pirzada opined.

Asked what would be the effect of setting up of an Islamic Court of Justice at the international level, the chairman said the proposed court would not be in conflict with the International Court of Justice, but would be complementary to it.

Syed Pirzada said in any case, the Muslim countries, especially those who are members of the Islamic Conference Organization, had long felt the necessity of such a court. Kuwait took the initiative and the third Islamic summit held in Saudi Arabia decided to set it up.

He added that the designation of the court could be the Islamic International Court of Justice.

In addition to Syed Pirzada, the experts meetings in Kuwait were also attended by Dr Tariq Razzouki of Kuwait's Foreign Ministry, Abdallah al-Khani of Syria, who is also a judge at the International Court of Justice, Shaykh Belkhoja Habib, the grand mufti of Tunis, and Mr Othman Guntia, the attorney general of Senegal.

CSO: 4820/315

PALESTINIANS IN ISRAEL URGED TO VOTE FOR RAKAH

Beirut FALASTIN AL-THAWRAH in Arabic 16 Feb 81 p 3

[Article: "With You"]

[Text] The Communist Party--Rakah--is currently holding its 19th congress in Haifa. Should we be content with praising the struggle of this progressive Arab-Jewish party which confronts Zionism "in its den," as (Ze'er Sheff), the Israeli military commentator, has said?

One cannot refer to the Palestinian national awakening in Galilee, al-Muthallath [the Triangle] and the Negev or to "the day in defense of the land," which has become a day of struggle extending throughout the year, years and generations, without pointing out that RAKAH itself, through the allied Democratic Peace and Equality Front, is the party waging the battle in defense of its principles and of justice for the Palestinian people. There is a meeting of struggle between us and RAKAH. This is a fact.

This is why we have declared since 1975 full support for RAKAH in the Nazareth municipal elections campaign and full support for RAKAH and the Democratic Peace and Equality Front in the battle to liberate the local Arab councils in Galilee, al-Muthallath and the Negev from the domination of the Zionist parties.

On the threshold of the elections for the 10th Knesset, there is no place for the question: Where should the vote of the Palestinian voters in Galilee, al-Muthallath and the Negev go?

8494

CSO: 4802/533

REINSURANCE GROUP TO START IN JULY 1981

Kuwait KUNATT TIMES in English 11 Apr 81 p 3

[Text]

The Arab Re-insurance Group will start operation as from July first, a report said yesterday.

The company which will operate from Bahrain is jointly owned by Kuwait, the United Arab Emirates and Libya, with the option left open for other Arab countries to join.

Iraq took part in preliminary meetings to form the company but postponed its decision to hold a share in the venture. The company will operate in both domestic and international markets.

A spokesman said yesterday plans are underway by the group for opening the Arab's first insurance institute in Bahrain.

Training sessions are currently conducted for the company's staff including practical in-service training with domestic companies operating in Bahrain, he added.

The Arab Re-insurance Group is also in contact with leading institutes in both the United States and Britain for technical assistance in this respect, the spokesman said.

Meanwhile it is reported from London Lloyd's underwriting syndicates and insurance companies will only have to meet a \$22 million claim by Shell International for the loss of 179,000 tonnes of Kuwaiti crude oil from the scuttled tanker Salem.

The London High Court had on Thursday ruled that Shell was entitled to recover \$33 million from Lloyd's for the financial loss of the oil which was being shipped in the Salem to Italy in December 1979 but was illegally off loaded in South Africa.

The oil had been bought by Shell from a Swiss company in a spot market deal, and was not on board the ship when it was scuttled.

Shell subsequently recove-

red \$30 million from the South African oil purchasing agency, and the court has ruled that this may be credited to the underwriters if they are held liable for the total loss.

Lloyd's underwriters would now have to study the full text of the court ruling, before deciding whether to appeal, a Lloyd's spokeswoman told Kuna today.

It would probably be another week before a decision to appeal could be made, she added. — Kuna.

ARAB PETROLEUM INVESTMENTS CORPORATION PROFITS SHOW INCREASE

Paris AN-NAHAR ARAB REPORT & MEMO in English 13 Apr 81 p 14

[Text]

The Arab Petroleum Investments Corporation (APICORP) which is owned by the members of OAPEC, realised net profits of 108 million Saudi Rials (\$32.3 million) last year, compared with SR 100 million in 1979, it was announced recently.

The announcement, made after the corporation's first Board meeting of the year, held in Bahrain, added that shareholders' funds now stood at SR 1.5 billion (\$447 million). Last year, it was announced that SR 61.5 million of profits would be distributed to the corporation's shareholders.

The announcement said that the projected Arab Company for Detergent Chemicals (*An-Nahar Arab Report & MEMO*, June 9, 1980) was set up in Baghdad last month with an authorised capital of ID 72 million (\$243 million) and a subscribed capital of ID 36 million. APICORP and Iraq had each subscribed ID 9 million and the remaining 50 per cent of the shares would be offered to OAPEC countries as soon as the legal requirements for establishing the company had been finalised.

The new company will start by building a plant in Iraq to manufacture linear alkyl benzene from kerosene

and sodium tripolyphosphate from phosphoric acid. The initial capacity of the \$200 million plant will be 50,000 tonnes a year, rising to 100,000 tonnes a year by the late 1980s, the announcement said.

The APICORP Board also approved the promotion of a joint venture with Italy's state hydrocarbons group ENI for the production of octane booster from butane and methanol and called for a feasibility study to be presented by the end of this year.

A joint "study company" is also to be set up involving APICORP, the government of Tunisia and Elf Aquitaine of France to conduct studies to evaluate reserves of gas and condensate in the Gulf of Gabes. The company, known as Société du Gaz Marin (SEGMA), is capitalised at TD 500,000 (\$1.15 million), with Tunisia and Elf each holding a 40 per cent stake and APICORP the remaining 20 per cent.

Studies on the potential of the Miskar natural gas field and the possible use of the gas as raw material for petrochemical industries, as well as for export and domestic use, are expected by the end of the year.

CSO: 4820, 319

BRIEFS

EGYPT-KUWAIT TIES--Kuwait, April 12 (KUNA)--"Kuwait has boycotted the Egyptian Government in accordance with the resolutions of the Baghdad and the Tunis Summits but has not boycotted the Egyptian people," the Minister of State for Cabinet Affairs, Abdul Aziz Hussein, clarified today. He was commenting on a news report published in AL-SEYASSAH on Sunday which said that an Egyptian delegation was participating in a meeting being held in Kuwait by the Kuwaiti Engineers Society. Hussein said the object of the event was to compile and write a dictionary of Arabic terms to replace the foreign terms. The proposed book is meant to be fit for use everywhere in the Arab World, Hussein added. The KES had invited engineers from all over the Arab countries, including from Egypt, whose contribution was praised by Mr. Hussein. The dictionary is to be in ten parts and will be one of the outstanding national achievements in the field of science and progress, Hussein said. [Text] [Kuwait ARAB TIMES in English 13 Apr 81 p 1]

BAGHDAD LOAN POSSIBLE--Press reports said yesterday that some Gulf states including Kuwait and Saudi Arabia will extend over \$6 billion in loans to Iraq. Al-Watan and Al-Rai Al-Aam said the National Assembly is currently debating a government bill for a \$2 billion interest free loan to Iraq and added that the Assembly is likely to approve the loan. In an unattributed story, Al-Watan said Saudi Arabia will extend a \$4 billion loan to Iraq and that some other Gulf states which it did not name, will also render loans. The \$2 billion loan which Iraq is seeking from Kuwait will be used for reconstruction of the utilities destroyed during its war with Iran, Al-Rai Al-Aam said. Iraq proposed to receive the loan in six instalments of \$500,000 at the beginning of April and five other instalments of \$300,000 each at the beginning of each month. Iraq will repay the loan over a period of ten years at the rate of \$200,000 every year as of 1984, the paper said.--Kuna. [Text] [Kuwait KUWAIT TIMES in English 16 Apr 81 p 2]

PORTUGUESE LOAN SYNDICATION--London--Arab banks are to support a \$500 million international loan syndication by Portugal, bankers here reported this week. The 10 banks managing the loan include Gulf International Bank, in which most Arab Gulf states participate, and the Paris-based Ubaif Arab consortium. Each of the 10 managers will contribute \$50 million to the financing. The loan will be geared to rates of 1/2 per cent and 3/8 per cent over the cost of London Interbank Eurodollars, and the maturity of the credit will be eight years. Gulf International Bank is also participating in a \$400 million 10-year international loan for the Bank of Greece, now being mounted on world money markets.--Kuna. [Text] [Kuwait KUWAIT TIMES in English 10 Apr 81 p 10]

CSO: 4820/318

EX-AIR FORCE GENERAL RAFIQ GIVES VIEWS ON USSR MOTIVES

Stockholm GNISTAN in Swedish 24 Apr 81 p 2, 3

[Article by Christer Lundgren: "The Wicked--How They Came to Power in Afghanistan")]

[Text] When the President of Afghanistan, Mohammad Daoud, visited Moscow in 1977, Leonid Brezhnev asked him whether it was true that he had asked the United States for advisors. Daoud got up from the conference table and answered angrily: "I am the president of an independent country. No one has a right to ask me such questions."

In April of the following year, Mohammad Daoud was overthrown. The fourth Afghan war was started.

We met Mohamed Rafiq one evening in Pakistan. He was a general in Afghanistan's Air Force under Daoud's government. When there got to be too many Russians in the military apparatus, Rafiq applied for permission to resign. He cited his impaired eyesight and explained that he was tired on account of his age. He left the country in January of this year.

"I was the first Afghan pilot to be trained in the Soviet Union," he said.

"At that time, we flew English training aircraft--the Euro Anzan 19's. The Russians were not able to give us ideological training, but they secretly contacted the young men who appeared to be interested in their ideas. "They warned us against Pakistan and Iran, and said, 'We may go to war with them some day. We will help you and build up strong armed forces.' In that way, they gained control over the armed forces and trained the perpetrators of the coup to take over our country."

Daoud Came Into Power

"Daoud came into power in 1973 with their support.

"When Mohammad Daoud Khan came into power, certain members of the military forces played a central role. They functioned as agents in direct contact with Moscow, and now they are key figures in Babrak Karmal's quivering government. The individuals in question are:

"Abdul Qader, who was a lieutenant general in the Air Force. Now he is an advisor to the central committee of the governing party.

"Aslam Watanjar, who was a major. Now he is the Minister for Postal and Telegraphic Services.

"Mohammed Rafi, who was a major in the armored forces. Now he is the Minister of Defense.

"Said Mohammed Gulabzoi, who was a second lieutenant in the Air Force. Now he is the Minister of the Interior.

"Said Daoud, who was a major and radio officer in the Air Force. Later on, he became the chief of police but was killed in the fighting against Hafizullah Amin's soldiers.

"Sher Mohammad Mazdurjar, who was a major. Now he is the Minister for Frontiers.

"Those were the men who helped Daoud to power, when Moscow wanted it, and who overthrew him when Moscow decided to get him out of the way," said Rafiq.

When the Decision Was Made

"When did the Soviet leaders come to that decision?" Rafiq was asked.

"There are several indications that it happened shortly after Daoud's visit to Moscow in 1977. In his book 'Report on Afghanistan,' the Indian journalist Kuldip Nayar summarized the course of events during the two years before the coup in April 1978.

"During the time when Daoud was in power, Afghanistan had become very dependent upon the Soviet Union. Its economic and military assistance was very extensive. The United States had unilaterally discontinued its assistance, and that action constituted de facto acceptance of the fact that Afghanistan belonged to the Soviets' sphere of interest.

"But Daoud sought ways of strengthening his country's independence. He tried to follow a 'hetarafi' policy--an alliance-free course. For that reason he sent his brother Mohammad Naim to Iran, and later to Washington, to ask for support.

"In 1976, several agreements on cooperation were concluded with Iran--in regard to a railroad which would connect Afghanistan with the Iranian port of Bandar Abbas, among other things. The Shah offered Afghanistan \$2 billion to help in building the railroad, and he also suggested that that country should associate itself with the regional cooperative development program involving Iran, Turkey and Pakistan.

"According to Kuldip Nayar, Kuwait offered an unlimited amount of money if Daoud would publicly declare himself opposed to the Soviet Union."

Meeting with Brezhnev

"Daoud's policy was anything but anti-Soviet," said Rafiq.

"He only tried to counterbalance Soviet influence. But Moscow did not trust him.

"When Daoud came to Moscow in 1977, Leonid Brezhnev asked him whether it was true that he had asked the United States for advisers. Daoud got up from the conference table and answered in a loud, angry voice:

'I am the president of an independent country. No one has a right to ask me such questions.'

"He broke off his visit prematurely. Brezhnev met him at the airport to save the situation, but their conversation only lasted 5 minutes.

"Back in Kabul, Daoud gave orders that contact should be established with India and Egypt to investigate the possibility of training military commissioned and non-commissioned officers there. He attached even greater importance to getting assistance from other countries, and he visited Saudi Arabia and Egypt himself.

"Saudi Arabia offered him unlimited economic assistance on the condition that he would expel the Soviets from Afghanistan.

"What Daoud did not know was the fact that his interpreter, Rahim Rafat, turned over his 16-page speech directly to Babrak Karmal during the confidential deliberations, and that the latter, in turn, reported on it to Moscow.

"The Soviet leaders put pressure on the two political parties which were friendly to Moscow, Khalq and Parcham, to unite with each other and become strong enough to run against Daoud.

"The coup--or the Saur Revolution, as it is called in the official rhetoric, in honor of the month of Saur (April)--had a noteworthy history," said Rafiq.

The Murder of Khyber

It began with the murder of Mir Akbar Khyber, a pro-Soviet intellectual who previously had shared a cell with Babrak Karmal. It occurred on 17 April 1978. The murder was premeditated, and the perpetrator is said to have been Hafizullah Amin's man.

"The murder triggered protests from among pro-Soviet military personnel who felt themselves threatened by the purges Daoud was initiating. A big demonstration moved through Kabul's bazaar district to the United States Embassy and accused the CIA of being behind the murder.

"It was thought at first that Daoud did not attach any very great importance to the incident, but after 9 days of hesitation he had Karmal, Amin and Nur Mohammed Taraki arrested. They were the leaders of Parcham and Khalq, who fought among themselves and who had organized the protest demonstration. The biggest mistake was that Amin was kept under house arrest only in the daytime and had every possible chance to communicate with his supporters in the military service through his teen-aged children. The first one who was contacted was Said Mohammed Gulabzoi, who received orders to trigger the coup d'etat at 0900 hours on 27 April. (According to other sources, the plan for the coup was worked out by the Soviet-. See CLARTE

1/81.) Aslam Watanjar led a column of 40 to 50 tanks, which surrounded Daoud's palace, where the government had met to discuss the fate of the arrested politicians.

It was not until the firing began that Daoud perceived what was happening. He sent his minister of defense to organize resistance, but he had an automobile accident and broke an arm. The electronic system for the air defense weapons around the palace did not function.

The air forces which were loyal to the president were stationed in Shindand and could only fight for 10 minutes before being forced to go back for more fuel.

In spite of all these difficulties, the loyal troops offered effective resistance. The coup probably would have failed if Soviet aircraft with Soviet pilots had not taken over the attack upon the presidential palace.

Eight pro-Soviet Air Force officers, together with the Russians, had taken control of the Bagram Airfield outside of Kabul. According to Muhamed Rafiq, whom we met in Pakistan, it was Soviet B7's which bombed the palace from 0200 to 0700 hours. Other sources spoke of six Soviet MiG-21's and an Ilyushin.

It was reported unanimously by witnesses that the aircraft were operated by Soviet pilots.

"Only the Soviet pilots had sufficient precision to be able to perform night bombing," Muhamed Rafiq said.

The first official radio report announced the coup in the following terms:

"For the first time in the history of Afghanistan, the last remnants of monarchy, tyranny, despotism and the tyrants of the power of Nadir Khan's dynasty have come to an end and all power in the state is in the hands of the people of Afghanistan. The Revolutionary Council of the Armed Forces is entirely in control of the government...."

The radical reform program which the government presented was perhaps intended to obtain the support of the population, but it was worked out by an isolated elite in accordance with the Soviet ideological pattern and did not have any roots established within the population. Therefore it immediately ran into vehement resistance--a resistance which soon was to turn into armed rebellion.

The Invasion

The temporary harmony between President Taraki and his two vice presidents, Amin and Karmal, was not of long duration. Amin got rid of his rival, Babrak Karmal, by maneuvering, and Karmal and his supporters were sent to eastern Europe as ambassadors. Amin's brutal persecution of all opposition further isolated the government. Moscow persuaded Taraki to get rid of Amin.

But Amin was able to forestall him, and Taraki became a victim of the coup himself.

The armed rebellion grew, and in November 1979 the Kabul government's position was threatened. Moscow was on the point of losing Afghanistan. Then they decided to invade the country and get rid of Amin.

AFGHAN INSURGENT GROUPS TO REORGANIZE

Nicosia CYPRUS MAIL in English 24 Apr 81 p 4

[Text] Peshawar, Pakistan, 23 Apr--Four Afghan insurgent groups yesterday announced they were withdrawing from the Islamic Alliance for the Liberation of Afghanistan, the umbrella organisation which links the politically diverse Afghan rebel groups based in Pakistan.

A statement issued jointly by four leaders, Sayed Ahmed Ghalani, Sibghatullah Mojaddedi, Mohammad Nabi Mohammadi and Yunus Khalis said they were abandoning the present alliance to form a genuine union with a single leadership and a unified command.

Insurgent sources said they were attempting to link up with various regional groups of Mujahadeen (the tribal-led Muslim insurgents) operating independently of the main political parties inside Afghanistan to form a national council to direct the war.

The Alliance, formed in March last year under pressure from Islamic countries following the Soviet military intervention in Afghanistan, existed precariously amid squabbles for leadership between Islamic fundamentalists and the country's former traditional landowning power brokers.

Strongest member

Originally six groups, the Alliance lost its most wealthy and strongest member, a faction of the fundamentalist Hezbe Islami Party led by Gulbuddeen Hekmatyar within weeks of its formation.

Mr Hekmatyar objected to the link with what he described as the un-Islamic and secular groups led by Mr Ghalani and Mr Mojaddedi whom he charged were prepared to be used as pawns by the West to subvert Afghanistan's Islamic Revolution.

His opponents said at the time that he left because he had failed to take over the leadership of the Alliance and had independent financial support from private supporters in the Gulf countries and Iran.

The latest split yesterday left the Islamic fundamentalist Jamiat Islami Afghanistan Party led by Professor Burhaniddin Rabbani the only member of the original alliance.

President Babrak Karmal of Afghanistan said yesterday there had been no response to his peace initiatives from neighbouring countries, Kabul Radio said in a report monitored in New Delhi.

Mr Karmal told members of the High Islamic Tradition Council that Islamic principles dictate that neighbours should solve their problems through negotiations and that is why we have repeatedly tried to start negotiations with our neighbours but they have not responded, the radio said.

The Afghan President also attacked President Anwar al-Sadat of Egypt and described him as an enemy of Islam who had trampled on the rights of the Palestinian people.

"The sacred religion of Islam is for the prosperity of humanity, not for its destruction," Mr Karmal was quoted as saying.

CSO: 4920/341

BRIEFS

ENERGY MINISTER IN MOSCOW--Brother Belkacem Nabi, member of the Central Committee and minister of energy and petrochemical industries, arrived in Moscow yesterday at the head of a ministerial delegation to discuss signing an agreement on participation in energy projects called for in the 5-year plan. Brother Belkacem Nabi was welcomed by a number of senior officials in the Soviet Government and Algerian ambassador to the Soviet Union Brother Al-'Ayyashi Yakir. Soon after arrival yesterday, the minister held talks with Soviet officials on cooperation in the field of energy. The talks were held in a cordial atmosphere. And today, Friday, enlarged talks were held in which members of the two delegations took part. It is known that a delegation representing Sonatrach has been in Moscow for several days where they held talks with Soviet officials on questions of energy, dealing with certain projects and participation in the (?projects). [Text] [LDDA/308 Algiers Domestic Service in Arabic 1900 GMT 8 May 81]

CSO: 4802/694

MILITARY RESEARCH DAY OBSERVED

Cairo AL-MAJALLAH AL-'ASKARIYAH LIL-QUWWAT AL-MUSALLAHAN [The Armed Forces Military Journal] in Arabic No 214, January 1981 pp 6-10

[Address by Staff Maj Gen Yusuf 'Afifi, Assistant Minister of Defense and Chairman of Military Research Authority, on Occasion of Military Scientific Day Celebrations"]

[Text] "God shall elevate the faithful among you and those who have attained greater degrees of learning. God is always true."

His excellency the minister of defense and war production and the general commander of the armed forces, honored guests:

It pleases and honors me to welcome you on the occasion of the celebration of the military scientific research day which we consider a crowning of the efforts of military researchers and scholars throughout the year. This day bears within its folds three momentous meanings:

First, lauding the accomplishments realized throughout the year.

Second, honoring the excelling and distinguished research officers.

Third, concluding lessons and strengthening the resolution to enhance military scientific research so that it may offer more in thought, planning and performance and in serving the development of our armed forces, following in this regard the words of Khalid ibn al-Walid, God's brandished sword, who said: "The minds of men are more evident on the tips of their pens than on the tips of their lances."

Our following the words of the great Muslim commander means that we believe that thought and well-studied planning are an important phase that must precede and lead performance. This is something that cannot be assured without devoting attention to developing and enhancing intellectual skills among the military so that they may be fully aware of the changes of the age--an awareness that qualifies them to think on their own and to formulate the ideal plans and approaches to deal with these changes. This is the heart and essence of military scientific research.

His excellency the minister, honored guests:

The planning to formulate a military scientific research strategy that keeps pace with the present and future development relies on an objective study of the spheres of activity of the armed forces in war and peace, on examining and crystallizing the problems and obstacles that this activity faces and on proposing the best solutions to these problems and obstacles, taking advantage in this regard from previous local and international lessons and experiences, especially the experiences and expertise of the combat of the glorious October war battles which produced heroes and created an honorable record of lessons, heroism and glorious feats which will be recounted and studied in all times and places.

Out of its faith in the vanguard role of creative thought in enhancing military scientific research and enabling it to perform its mission in developing and modernizing our armed forces, the Military Research Authority has been eager to support the dynamic military thinking of commanders and officers by drawing its plans in three main directions:

1. Study and conclude lessons from the expertise gained through exercises and battles and disseminate these lessons and this expertise so as to develop a modern Egyptian military combat creed of which we are proud and by which we are distinguished.
2. Publish military reference materials, pamphlets and periodicals that cover all that is new and innovative in modern military thinking and provide foreign books, reference materials and periodicals that abound with whatever is new and innovated in the international military thinking.
3. Kindle the spirit of competition and innovation among officers by organizing symposiums, contests and debates that sharpen the thinking and arouse the resolution to renew and develop constantly.

The Military Research Authority has marched and continues to march on this path which has produced numerous outstanding accomplishments. In regard to lauding the accomplishments, which is the first of the three meanings underlined by our celebrating the military scientific research day, I am pleased to laud the cooperation and consolidated efforts of the commands of the main branches, authorities, central departments, the field armies, the military districts and of the educational institutes to whom the credit goes for most of the 1980 accomplishments. I will deal with the most outstanding of these accomplishments later on.

His excellency the minister, honored guests:

The Military Research Authority presents every year the outcome of its studies and thinking to the main research conducted by the armed forces. The selection of the topic of "streamlining military spending" as the main research topic of 1980 was a wise and successful selection which required the combined efforts of all the military and civilians concerned. I would like on this occasion to express thanks and appreciation to the university professors who participated with utter sincerity and enthusiasm in the exploratory studies for this research which resulted ultimately in practical and applicable recommendations. I hope that when implemented, these recommendations will eliminate the negative and accentuate the positive in our armed forces.

In the sphere of military science, of the art of war and of analyzing and disseminating the combat expertise gained from exercises, the Military Research Authority has published military research and scientific information pamphlets to spread the expertise among the officers. Moreover, military scientific symposiums have also been held at the mobilizational and tactical levels. The Military Research Authority is eager for the continued organization of such symposiums because of their numerous benefits. The Military Research Authority is also eager for conducting annual military research and military history contests. The names of the winners of these contests will be announced and the winners will be honored so that they may act as a good example that urges their colleagues to achieve excellence and distinction.

In regard to military reference materials, the Military Research Authority has published numerous military scientific references at the strategic, mobilizational and tactical levels and at the level of the technical and combat use of weapons and equipment. This has been done in cooperation with the commands of the main branches and with the educational authorities, departments and institutions. The Military Research Authority is always eager to develop the military references so that they may keep abreast of the latest developments realized by the modern international military thought and science.

In the sphere of military information, the Military Research Authority has published several periodicals to familiarize the broad base of the armed forces officers with military information in the various spheres of military activity-- in the strategic, mobilizational and tactical spheres, in the sphere of combat (security) and in the technical, administrative, preparation, organizational and armament spheres. Moreover, the Military Research Authority has been eager to supply the armed forces libraries with foreign military books and periodicals. The authority is also planning to issue an annual abstract studies publication, a military encyclopedia and a (condensed annual guidebook) through which to review and analyze the most important topics of interest to researchers and officers.

In the sphere of military history, the Military Research Authority has published numerous references on military history and the art of war. This is in addition to its eagerness to record the documents of the operations by the commands and the units. The authority is also eager to familiarize the officers with the military history studies through the publication of specialized pamphlets and booklets.

These are some prominent aspects of the Military Research Authority's accomplishments. These accomplishments have been coupled with other accomplishments of extreme significance to which the Operations Research Center, the Military Museums Directorate, the Military Records Library and the Military Libraries Directorate have contributed. All these combined efforts seek to push military scientific research toward innovation and invention.

His excellency the minister, honored guests:

Let me now move to the second meaning signified by this celebration, namely of conferring honors. In gratitude on our part and in reward for the efforts of whoever has worked and laid down foundations in the sphere of military scientific research, I find it my duty to note with appreciation and gratitude the creative

efforts exerted previously in this regard to lay down the base of military scientific research. We are not working from scratch these days but rely on a firm base and the credit for the foundation of this base goes to the generation of early pioneers. I would also like to note with appreciation the fruitful cooperation between researchers in the universities and research centers on the one hand and our military researchers on the other. I hope that this cooperation will continue and will be strengthened constantly.

The military research and military history contests, whose winners we honor today, seek to develop the intellectual capabilities and skills of the commanders and officers and to kindle among them the spirit of innovation and competition to strengthen their resolution to enhance research and development. The results of these two contests--the research subjects submitted for these two contests were examined by a select group of military thinkers--have been evaluated ultimately on the basis of the following criteria:

1. The value of intrinsic effort, innovation and emphasis on what is new in the research in the spheres of organization, armament and use compatible with the Egyptian reality.
2. Constructive recommendations which, I hope, will be put into implementation after they are approved so as to raise the capabilities and combat efficiency of the armed forces.

Also in regard to conferring honors, to giving credit where credit is due and to safeguarding the invention and innovation rights of the outstanding officers, the Military Research Authority is currently studying, in cooperation with the Organization and Management Authority and the Technical Authority, the means to formulate a sound system for registration of the invention and innovation patents so as to safeguard the officers' moral and material rights insofar as the state and the armed forces are concerned.

His excellency the minister, honored guests:

There comes then the third meaning signified by our celebration of the scientific research day today. This is the meaning of concluding lessons and of strengthening the resolution to push the wheel of military scientific research toward more giving. In this regard, I find it my duty to emphasize, by virtue of my responsibility, that even though the 1975-80 five-year development plan of the armed forces has devoted attention to making use of and generalizing the lessons learned from the October 1973 war and from the subsequent developments, it is hoped that the 1980-84 development plan will devote attention to laying down a genuine Egyptian combat creed derived from our experiences, combat and battles and based on an enlightened study of the combat experiences of the advanced modern armies. In this regard, we must expand the dispatch of officers on study scholarships and visits and must encourage military researchers and scholars to attend scientific symposiums at home and abroad to bolster the dynamic quality of the Egyptian military thought and to encourage it to offer and give more.

I implore God to lead our steps on the right path under the patronage of the supreme commander of the armed forces and the leader of the state of science and faith, President Muhammad Anwar al-Sadat. God is behind all intentions.

God's peace, mercy and blessings be upon you.

MILITARY INDUSTRIALIZATION ORGANIZATION DISCUSSES PRODUCTION

Cairo AL-AKHBAR in Arabic 12 Mar 81 pp 1, 11

[Article by Faruq al-Shadhili: "Mubarak Meets With the Military Industrialization Organization; Focusing on Production of Aircraft, Armored Vehicles and Bombs"]

[Text] The Arab Military Industrialization Organization decided at its meeting yesterday under the chairmanship of Vice President Husni Mubarak to focus on the projects for the production of aircraft, missiles, armored vehicles, vehicles and bombs.

The organization also agreed to develop a missile for use by the artillery forces. The costs of the studies to develop the missile have amounted to \$3 million. The organization has also decided to produce bombs for use in the armed forces exercises.

The meeting, held under the chairmanship of the vice president, lasted 4 and one-half hours and was attended by Dr Fu'ad Muhyi-al-Din, the deputy prime minister; Dr 'Abd-al-Razzaq 'Abd-al-Majid, the deputy prime minister for economic affairs; Kamal Hasan 'Ali, the deputy prime minister and minister of foreign affairs; Lt Gen 'Abd-al-Halim Abu-Ghazalah, the minister of defense and of war production; Lt Gen 'Abdrabb al-Nabi Hafiz, the armed forces chief of staff; and Ahmad Zindu, the chairman of the Arab Industrialization Organization's Board of Directors.

Development of Missiles

This was the first meeting in 1981 and it was held to discuss the new projects that serve the purposes and needs of the armed forces in the sphere of aviation (fixed-wing fighter planes and helicopters), the projects concerning guided anti-armor missiles and missiles against aircraft flying at low altitude and the projects to introduce into the armed forces new types of these weapons which will be produced by the organization (the organization produces at present the anti-armor Swingfire missiles). The organization also approved the project to develop the armored vehicles, to improve their efficiency, to raise engine power and to improve their guidance systems so as to supply the armed forces needs of these vehicles.

The organization also agreed to coordinate the work with the Ministry of Industry in order to produce trucks with various load capacities to serve the transportation

of the armed forces. The organization also agreed to raise the production of jeeps and to develop their qualities in order that they may serve the armed forces' purposes.

Ahmad Zindu, the chairman of the organization's Board of Directors, has stated that the organization is currently developing a special missile for the artillery forces at Saqr Plant. The costs of the studies and preparations to develop this missile have amounted to nearly \$3 million. The organization also agreed to produce certain kinds of bombs used in the training exercises of the armed forces.

Approval of Budget

At the end of the meeting, the planning budget, covering the period from the end of January 1980 to the end of June 1981, was approved. The final budgets and accounts and their appendices, especially the auditors' reports for the fiscal years 1977, 1978 and 1979, were also approved.

Ahmad Zindu presented to the Higher Authority [sic] the developments concerning the Arab Military Industrialization Organization's relations with a number of foreign firms which take part in the production of certain types of military products. The committee [sic] approved the bases for marketing the organization's production at the international level. The committee also agreed that the organization continue its study with the armed forces for the production and development of whatever these forces need.

Engine Maintenance

Ahmad Zindu added that the organization performs at present the maintenance and overhaul work for the engines of the fighter planes and that the organization has also received offers from a number of international firms, including U.S. firms, and that it is studying these offers to select those that are most compatible with the plan for aircraft, missiles and vehicles approved by the Higher Authority.

8494

CSO: 4802/560

BRIEFS

RED SEA GOVERNOR--A republican decree has been issued appointing Maj Gen Yusuf 'Afifi Muhammad governor of the Red Sea Governorate. He succeeds 'Ali Ahmad 'Uthman in the post. Maj Gen Yusuf 'Afifi was born in al-Mansurah in 1927. He is one of the military commanders who have served in our embassies abroad. He also commanded the 19th Infantry Division, one of the Third Army divisions, which crossed the Suez Canal to the Sinai on 6 October 1973. His division carried out large-scale and continuous offensive operations during the war and realized important military accomplishments. He then became commander of the Third Field Army and was later appointed chairman of the Military Research Authority. [Text] [Cairo AL-AHRAM in Arabic 3 Jan 81 p 6] 8494

MILITARY HOSPITAL SERVICES--Report by Wajdi Riyad--Lt Gen Ahmad Badawi, the minister of war, has decided to open all the military hospitals in Cairo and the governorates to treat civilians for symbolic fees within the framework of the various services which the armed forces offer in the various spheres to lift the hardships of the masses. Medical Officer Maj Gen Sabri Isma'il, the director of the [military] medical services, has stated that the Chamrah Military Hospital, the hospital of the Military Medical Academy in Kubri al-Qubbah, al-Hilmiyah Orthopedics Hospital in Hilmiyat al-Zaytun, the Rehabilitation Center in al-'Ajuzah, as well as the outpatient clinics of these hospitals, will receive civilian patients and refer cases to the internal sections when necessary. A total of 500 beds in these hospitals will be set aside for civilians. The [military] medical services have also designated the evening outpatient clinics in al-Zahra' and al-'Ajuzah to treat civilian patients. The director of the military medical services has further said that these hospitals have been equipped with modern equipment to serve the patients and to offer their services at the same rates charged by the [civilian government] medical establishment for X-rays and medical analyses. This system will also be followed at the new hospital in Mustafa Kamil [quarters] in Alexandria, at al-Hadrah Hospital, and in al-Ghardaqah, Aswan, Qina and Asyut. [Text] [Cairo AL-AHRAM in Arabic 14 Feb 81 p 8] 8494

CSO: 4802/560

RESISTANCE MOVEMENTS GOALS OUTLINED

NC092210 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 9 May 81

[Station talk]

[Text] Dear compatriots: In Radio Iran's program yesterday we briefly discussed Dr Shahpur Bakhtiar's efforts to form and organize the National Resistance Movement of Iran (NRMI). This political organization, born from the constant efforts of Dr Shahpur Bakhtiar, has acquired, in a period of less than a year, an extremely noteworthy order and size. If this organization was formed under different conditions it could possibly have required years for it to acquire the degree of combating force that it has now. But today, with our homeland facing one of the (?greatest) dangers in its history, all Iranians are united in their belief that a struggle for Iran's salvation is their most important and pressing duty; they have joined the NRMI in order to carry out their national duty.

The movement's activities now cover all the political, military and propaganda fields. In this short period, the political networks of the NRMI have expanded in various parts of the country and thousands of our freedom-seeking and patriotic compatriots are striving for the fulfillment of the movement's objectives: Iran's independence and freedom and the ensuring of social justice for the Iranian nation.

Apart from the combatant people who are struggling next to Dr Shahpur Bakhtiar for the homeland's salvation, a number of political and military groups and parties have joined the NRMI by maintaining their organizational basis and coordinating their efforts to cut short the hands of foreigners and those who worship foreigners from Iran's territories.

In the field of propaganda activities, aimed at informing all compatriots of the treasons committed by Khomeyni's clique against Iran and their crimes against Iranians, explaining the objectives of the NRMI as well as informing the world about the calamity which is taking place in our homeland, the freedom-seeking and patriotic strugglers through great efforts were able to establish the Radio Iran transmitter, which has many problems and limited possibilities, so that the NRMI can have a direct daily contact with all you compatriots.

Our comrades in arms abroad have tried, by publishing Persian-language publications and bulletins in French and English, to convey to the world the shout of protest by the Iranian nation against the oppressive Khomeyni rule.

However, our struggle against the oppressors who have dominated our country is not just limited to the political and propaganda fields. Khomeyni's dictatorship has closed all the paths for political struggle by the Iranian people, has broken the pens, has silenced the press and has banned the parties. These impostor pseudoclergy, in order to continue their deadly domination on our homeland, not only do not (?show any logic) but also refuse to hear any logical remark. Their only logic is the logic of force. Therefore, one should use the logic of these hooligans--the logic of force--to talk to them. In this way the NRMI, next to its other political activities, has expanded the armed struggle against Khomeyni's clique.

At this point it should be stressed that we do not support armed struggles, but the pseudoclergy have forced us to use arms against them. Now military groups affiliated to the NRMI are struggling on an extremely vast scale and in the four corners of Iran against the mercenary rogues and hooligans of Khomeyni. In recent weeks they have very successfully carried out important and effective acts.

Compatriots: Remember and do not forget. At the time when you (?even though you are suffering) are next to your dear ones, or are queuing up for your bread, meat, soap and other commodities, many of your compatriots, by having set aside all that which is considered a (?pleasure) for humans, have devoted their being and lives for your freedom and welfare. They are struggling day and night against the enemies of Iran and freedom and they fear no danger. (?Therefore) Iran, which has such devoted children, shall never die.

CSO: 4906/258

BRIEFS

FOREIGN OIL PURCHASES--The Islamic Republic has purchased from abroad more than \$200 million worth of refined oil and gas. Reports from Tehran indicate that this oil and gas has been purchased for domestic use through British middlemen for foreign consortiums and that the Islamic Government intends in the next 6 months to purchase an additional \$400 million worth of oil and gas. [Text] [NC061728 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 6 May 81]

VIENNA EMBASSY OCCUPIED--Iranian students in Austria have occupied Khomeyni's embassy in Vienna. Reports from Vienna state that a large number of Iranian students attacked Khomeyni's embassy in protest against the clerical regime's abusive methods and torture, as well as against its policy on foreign exchange and despotic policies toward students. The reports add that after occupying the embassy, the students took the employees of the embassy hostage for 5 hours. According to the reports, the students peacefully left the embassy following police mediation and receiving a message from Tehran containing a "favorable promise." It should be noted that for some time now following the increase in attacks on the regime's embassies and their occupation by students, the guards at the embassies have been increased. [Text] [NC061754 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 6 May 81] (A Voice of Iran correspondent reports) that hundreds of Iranian students (residing in Austria) occupied the Tehran regime's embassy in Vienna. The occupation of Ayatollah Khomeyni's embassy in Austria was coupled with vast demonstrations and news films on the demonstrations were shown by European television last night. The Voice of Iran correspondent adds in his report that the Iranian students, who were moving in orderly ranks and who had informed the police of their demonstration, were continuing their sit-in at the Iranian Embassy until this morning when we received the news on it from Europe. Following the occupation of the Iranian Embassy in Vienna a group of Iranians residing in Austria joined the students and confirmed their demands (and) protests against the dictatorship of the Mullahs in Tehran. The students tore down Khomeyni's pictures from the embassy walls and burned them. [Text] [NC061310 (Clandestine) Voice of Iran in Persian 1805 GMT 5 May 81]

KAZERUN CONSCRIPTS--All draftees who have graduated in September 1980 and the previous years from the districts of Kazerun, Nurabad, Konar Tappeh and the neighboring areas and who had registered by 8 April should report at 0800 on Monday, 11 May, to the regiment center in order to be scheduled for dispatch. According to a notice issued by the Kazerun gendarmerie regiment, draftees who fail to report will be considered absent. [Text] [CF051643 Shiraz Domestic Service in Persian 1500 GMT 5 May 81]

SARVESTAN CONSCRIPTS--All draftees born in 1963 should report to the regiment to ascertain their position. Conscripts born 1959-1962 who have not yet reported themselves should present themselves to this regiment as soon as possible. [Text] [GF051650 Shiraz Domestic Service in Persian 1500 GMT 5 May 81]

NEW DOMESTIC FLIGHTS--Iranair is scheduled to start new flights to Kerman, Mashhad, Yazd and Esfahan. Interested persons can obtain further information from the sales offices of Iranair or from travel agencies. [Text] [GF051931 Shiraz Domestic Service in Persian 1900 GMT 5 May 81]

ARMS STORAGE COMPUTER SYSTEM--Our correspondent reports that officials of the Islamic Republic have stopped the computerized system of the armed forces' arms and ammunition stocks in order to obstruct any possible movement by the armed forces against the regime. The objective behind this is to make it impossible for anyone to know what kind of arms, ammunition and war materiel exist in the armed forces' depot. According to the same report a large quantity of (?obsolete) military equipment has been taken by the Palestinians to Lebanon so that the Iranian armed forces cannot have access to them. [Text] [NC071417 (Clandestine) Voice of Iran in Persian 1805 GMT 6 May 81]

KAZERUN MILITARY TRAINING--Four hundred persons from the mobilization of the Islamic revolution guards of Kazerun have undergone the necessary training in handling light armaments so far. Our reporter has informed us that the headquarters of the Islamic Revolution Guards of Kazerun has initiated military training courses for villager brothers and the tribes of Baladeh District and have begun training our tribal brothers. [Text] [GF101949 Shiraz Domestic Service in Persian 1900 GMT 10 May 81]

'ARAFAT PURCHASES ARMS--After the disappearance of the Lebanese middleman who was (?responsible) for the \$56 million arms' swindle, the WALL STREET JOURNAL of New York writes that following this fraud, Yasir 'Arafat visited a number of East European countries in order to purchase the arms needed by the Islamic Republic. Yasir 'Arafat intends to purchase Soviet-made missiles and aircraft for the Islamic Republic. The reason for his efforts is that according to an agreement between the Islamic Republic and Fatah a 15-percent commission will be deposited in the said organization's account. The WALL STREET JOURNAL also writes that Yasir 'Arafat has so far received \$3 million from Iran for the purchases of arms needed by the Islamic Republic, but that the spare parts purchased by him are of no use to the Iranian army because it is equipped with American and West European arms. [Text] [NC082105 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 8 May 81]

'PERSIAN GULF' TERM--The Ministry of Islamic Guidance has contacted the Central News Bureau to announce that Prime Minister Raja'i has issued a statement on the historical name of the Persian Gulf. The statement is as follows: In His Exalted name. The official and unshakable position of Iran on the correct, historical and original name "Persian Gulf" is clear. But it is necessary to explain that this historical fact has been approved by the United Nations and

that it is to be observed in all international circles, UN maps and documents. This circular must be observed in all official documents, publications, articles published in the media, during speeches and interviews. The public relations department of the Guidance Ministry has also announced that this order has also been circulated to all Iranian offices abroad. [Text] [LD071444 Tehran Domestic Service in Persian 1030 GMT 7 May 81]

SISTAN, BALUCHESTAN FIGHTING--The people of Sistan and Baluchestan and the brave tribes of this area continue their armed struggles against Khomeyni's dictatorship. Reports from Sistan and Baluchestan state that the patriotic tribes of the area, who are disgusted with the oppression of the revolutionary guards, have formed armed groups that have set up roadblocks on various roads and highways in the province. These armed groups then open machinegun fire on any vehicle carrying revolutionary guards or men of the reconstruction army. The brave people of Sistan and Baluchestan intend to continue their armed struggle until the downfall of Khomeyni's regime and to continue their struggles until complete victory. [Text] [NC082100 (Clandestine) Free Voice of Iran in Persian to Iran 1500 GMT 8 May 81]

TOBACCO FUNGUS--Due to the sudden change of weather in April, the drop in temperature and the increased humidity, tobacco plants in some villages of the district have been attacked by fungus. The Fars Tobacco Products Department has issued a notice to all sections to take immediate steps to combat the fungus. The provincial tobacco products department has asked farmers whose crops have not been stricken by the disease to hasten to the assistance of others and to give them seedlings for replanting. [GF111812 Shiraz Domestic Service in Persian 1500 GMT 11 May 81 GF]

CUBAN AMBASSADOR--The Cuban ambassador to the Islamic Republic of Iran met with Roads and Transport Minister Musa Kalantari yesterday. They discussed issues of bilateral interest, particularly in the field of transportation. At the end of the meeting the Cuban ambassador lauded the Islamic revolution in Iran and declared his country's desire to increase overall cooperation between the two countries. [Text] [GF070700 Tehran International Service in Arabic 0600 GMT 7 May 81]

TRANSPORT MINISTRY TO DPRK--A delegation from the Ministry of Roads and Transport left for the DPRK today. During this visit, the delegation will hold talks with DPRK officials on reinforcing bilateral relations in the technical and commercial fields. The delegation will also visit a number of factories and production and economic installations in DPRK. [Text] [GF061849 Tehran International Service in Arabic 1730 GMT 6 May 81]

JAPANESE ENVOY AT MAJLIS--The Japanese ambassador to the Islamic Republic of Iran met with Majlis speaker Hashemi-Rafsanjani today on the termination of his mission as his country's envoy to Iran. The ambassador expressed his gratitude for the Iranian people's hospitality and good treatment of expatriates--especially the Japanese community--living in Iran, despite the events of the revolution and the war. During this meeting, they discussed the difficulties involved in the construction of the petrochemical complex at Imam Khomeyni port. The Majlis speaker said he hopes these difficulties will be resolved soon. It is worth noting that the Japanese ambassador assumed his post in Iran following the victory of the Islamic revolution in Iran. [Text] [GF100447 Tehran International Service in Arabic 2000 GMT 9 May 81]

COPPER COMPLEX--Musa (Khayr), minister of state and head of the planning and budget organization, has announced that work at part of the copper complex in Sar Chahmeh will begin this summer. He said that thanks to the efforts of Iranian experts, within 3 months the section's production will amount to 50 percent of the complex's total production and that work in the other sections will begin gradually. The minister of state and head of the planning and budget organization said: The complex was constructed with the help of foreign experts, including experts from Yugoslavia and the GDR. The management of the complex will ultimately be Iranian. One of the goals and hopes of the Iranian revolution is that Iranian experts will be able to manage such a large industrial complex. [Text] [GF111357 Tehran International Service in Arabic 1430 GMT 11 May 81]

CSO: 4902/22

LATIN AMERICAN PUBLIC URGED TO BE ON ALERT AGAINST CIA SPIES

Baghdad AL-'IRAQ in Arabic 28 Feb 81 p 2

[Article: "CIA Plots Against Latin America"]

[Text] For a long time, the U.S. imperialists considered Latin America an exclusive sphere of theirs, procuring from it whatever natural resources they wish and reaping from it astronomical profits. Even in these days, the U.S. capitalist monopoly is reaping profits of several billions of dollars from this area's countries. Every dollar invested by the U.S. monopolies in Latin America yields \$4-5 in profits and this why the direct U.S. investments in the area have amounted to nearly \$30 billion. In the mid-1970's, the U.S. monopolies owned nearly 40 percent of the industrial capacity of the Latin American countries, including nearly 90 percent of the chemical industry and 80 percent of the mining and engineering industries. Of the 20 essential commodities imported by the United States, 13 come from Latin America. Moreover, 70 percent of the entire strategic raw materials extracted in the continent go to the U.S. military-industrial complex.

The U.S. imperialists spare no means to preserve the status quo in Latin America which is totally convenient to them. One of the favorite means of these imperialists is intervention in the domestic affairs of Latin America by way of the intelligence agencies (including the ill-reputed CIA). The NEW YORK TIMES has described the Central Intelligence Agency's role in Washington's foreign policy, noting that the Central Intelligence Agency is an organization that works secretly to overthrow and set up governments, to form armies, to organize invasions, to engage in spying, to set up airlines and broadcasting stations, to open schools and to subsidize books, magazines and commercial enterprises.

Whenever a crisis threatening the U.S. monopolist interests erupts somewhere, it has become customary for the U.S. intelligence to escalate its activity to hatch plots to overthrow (an unwanted) government. U.S. historian Richard Barnett has noted that this method is the least expensive financially and that its political problems are less than those of the method of open support for one of two sides engaged in a long-drawn civil war.

The United States continued to employ this approach in Latin America for several decades. Addressing the Senate on 9 December 1963, Senator Humphrey noted that the CIA and the U.S. Department of State had employed this approach to get rid of the

Latin American leaders who were not liked by the U.S. monopolies. As examples, the senator cited Argentina, Peru, Honduras, Guatemala, the Dominican Republic and others. The same reasons can be cited for the wave of reactionary coups which took place in recent years: In Uruguay in 1971, in Chile in 1973 and in Bolivia in 1971 and 1980. The same applies to the attempts to oust the government of General Alvarado in Peru and the governments of Costa Rica, Nicaragua, Grenada and Jamaica. The same reasons also apply to the efforts seeking to isolate Guyana with its independent and anti-imperialist policy and to the other terrorist and sabotage activities against the national and democratic forces in Panama, Mexico, Venezuela and other Latin American countries.

The current aggressive course of the U.S. foreign policy is proceeding side by side with the intensified CIA activities in all parts of the world, including Latin America. This is confirmed by the information leaked to the U.S. press of other countries.

For example, reports were circulated at the end of 1979 about Central Intelligence plans to oust Grenada's progressive government. The central figure of the plot was a person called (Cyrus), a professional Central Intelligence agent who disguised as a teacher in a rural school in Grenada. He made all the preparations for the coup, with support from the local reactionaries. This Cyrus was active in recruiting plotters, in smuggling weapons into the country and in writing propaganda hostile to the government. Upon the arrest of Cyrus and other plotters, large quantities of firearms and munition, large sums of money and documents proving the Central Intelligence's involvement in the coup plan were seized.

On the instructions of Washington, plotting experts are intensifying their sabotage activity in Nicaragua. The U.S. COVERT ACTION magazine has published a report on a plan prepared by the CIA to undermine stability in Nicaragua's domestic political situation. Before the triumph of the revolution in Nicaragua, the U.S. National Security Council had formed a team to deal with the Nicaragua situation comprised of representatives of the Department of Defense, the CIA and the National Security Agency. At the same time, the U.S. intelligence formed a "provisional military force" for Nicaragua.

With the triumph of the revolution and the collapse of Somoza's dictatorship in July 1979, these groups doubled their efforts. The U.S. intelligence intensified its activities to gather information on all aspects of the country's situation, especially information on the balance of forces in the government, on the political parties, on the popular organizations, on the foreign relations and on the domestic relations and policies. The CIA is exerting efforts to recruit agents working for it in the revolutionary organizations and in the administrative agency. It is watching the government appeals on radio and telephone and is hatching various plots to interfere in the country's domestic affairs, such as organizing strikes, intensifying tensions and arranging for the emigration of capital and the collective emigration of qualified people. The CIA is also planning sabotage activities and sending into the country sabotage teams of pro-Somoza elements who have fled Nicaragua.

The Mexican paper ELDIA has noted that the CIA's sabotage plans against Nicaragua follow the customary example already followed by the United States against Salvador

Allende in Chile, against the popular movement in Angola and against the armed force-movement in Portugal.

In June 1980, the Jamaican security agencies exposed a plot against the government. The U.S. tactics were also evident here. The plotters had planned to overthrow the legitimate government, to assassinate the prime minister and the armed forces chief of staff and to set up a pro-U.S. regime.

(Charles Johnson), one of the main plotters, was a veteran soldier in the U.S. aggression against Vietnam. The plotters also had strong ties with the U.S. Embassy in Kingston where, according to U.S. press reports, no less than 15 agents of the CIA work.

In view of the growing role of students in the anti-imperialist struggle in Latin America, the CIA has intensified its operations against the student movement, seeking primarily to shake and control the progressive student organizations. The CIA recruits agents in Latin America's universities and helps them to reach leadership positions in the student bodies. Moreover, teams of CIA agents engage in intellectual sabotage in the Latin American educational institutions by disguising as professors, researchers and technical experts.

For example, the Independent University Union in Puerto Rico has become a target of CIA activities seeking to shake and splinter it. The agents have tried to infiltrate the union and to set up a rival organization controlled by the U.S. intelligence. But the plot has failed and the saboteurs have been exposed and expelled from the Union.

The CIA has not neglected the Latin American labor movement which has developed in recent decades into a strong element in the struggle against imperialism. By using the reactionary American Federation of Labor as a cover, the CIA strengthens its relations with the labor union movement, bribes some union leaders, forms reactionary labor federations and works to splinter and weaken the progressive labor unions in Latin America.

The WASHINGTON POST has estimated that the average annual sums spent by the CIA on its activities in the Post, Telegraph and Telephone Workers Union alone amount to \$100 million. The international activity of the American Federation of Labor is also financed by the Rockefeller Foundation, by United Brands (United Fruit formerly), by ITT and by other monopolies. The CIA agents in the labor organizations use these funds to rig up elections and to recruit and arm villains and saboteurs. Tens of thousands of Latin Americans have undergone various training courses in the United States. Naturally, they have not been trained to fight the oppressive rule of the U.S. monopolies or to organize strikes but have been trained on the latest means of sabotaging worker movements, of preoccupying these movements with issues other than defending worker rights and of organizing provocations.

The long efforts of the Central Intelligence in the Latin American labor movement has created a special type of intelligence agents who carry labor union identity cards. These agents have gained long experience in labor union affairs and have accumulated a long record of sabotage action among the ranks of the working class. They are first class demagogues and liars, have been trained carefully at the CIA

centers and have been supplied with large funds. This is the type of agents who graduate from the various U.S. centers set up to sabotage the Latin American labor unions.

The events have made it clear that the Latin American countries must fight the incessant attack of the U.S. imperialists who are increasingly using the CIA as their instrument. It is obvious that this dirty and bloodstained weapon poses a serious threat to all the progressive forces in the area and calls upon the Latin American public opinion to intensify its vigilance and to stand firmly in the face of the plots of the CIA spies and saboteurs.

8494

CSO: 4802/533

UNITED STATES SAID TO USE FOOD TO SUBDUED NATIONS OR STARVE THEM

Baghdad AL-'IRAQ in Arabic 18 Mar 81 p 2

[Article: "Bankruptcy"]

[Text] The magazine U.S. NEWS AND WORLD REPORT states that in addition to the gunboat diplomacy and political and warlike acts of terrorism employed by the Pentagon and the Central Intelligence Agency, the sale of wheat, corn and rice has become one of the most important means of diplomacy in the United States within the last decade.

The CIA formulated its recommendations to the White House in the most impudent manner possible in its document of 1974, which was published in the American press and will apparently remain a working guide for any further administration in Washington. This document stated that: "The role of the United States of America as a major source of food provides increasing possibilities and opportunities for the spreading of its influence" (the influence of the United States). This document appeared during the very years when the food situation had worsened considerably in the developing countries because of drought and poor harvests. The CIA asserted: "In the hungry world, the United States can gain much stronger and more stable economic positions than in the first years following the war" (i.e., when the United States monopolized nuclear weapons--author's note). This is the importance that the ruling powers in the United States attach to the strategy of starvation. The chief targets of the American policy of starvation have become the developing countries, which consume 37 percent of the United States' grain exports and are located in Africa, Asia and Latin America. How does Washington carry out this imperialist strategy, which bears an inhumane and disgraceful stamp? What gains does it achieve and how does it achieve them?

In 1979, 50 million people (including 12 million children) died of starvation or malnutrition in the nonsocialist world. According to FAO statistics, hunger afflicts more than one-half billion people in the world today. The shortage of food in the developing countries is first of all a deadly legacy left by protracted colonialist domination. Secondly, it is a result of the policy of the United States and the major advanced industrialized capitalist countries, which for their own biased purposes have distorted and continue to distort the structure of agriculture in the former colonies and quasi-colonies and dependent territories.

As a result of this policy, the former colonies and quasi-colonies, which were exporting about 14 million tons of grain to the advanced industrialized capitalist countries in the late 1930's, have been forced in the last decade not only to halt these exports completely but to begin importing grain in ever-increasing amounts in order to cover the minimum needs of their populations, at the very least.

A perfect example of the American strategy of starvation is the position taken by the United States toward Chile when it was under the leadership of the government of popular unity led by Salvador Allende. In order to secure bread for the population, the government significantly increased its grain imports from the United States. The value of these imports totaled \$380 million in 1972 in contrast to \$130 million in 1970. However, the United States refused to provide loans to purchase the wheat because the policy of the Allende government was not sympathetic to the American monopolies, which had ruled for a long period of time in Chile as though in their own country.

The Allende government pledged to pay Washington the price of the wheat in cash, but the White House refused even this formula and impudently announced that the refusal to sell grain to Chile was a political decision!

The United States exerted all possible efforts to overthrow the government of Salvador Allende. When Pinochet's band carried out its fascist coup with the aid and blessings of the CIA, Washington hastened to offer loans to this band on the most favorable terms to allow it to purchase grain and other agricultural foodstuffs.

In Africa, the policy of inducement and intimidation can be shown clearly by the example of Kenya. This country has suffered from extremely severe drought and famine conditions for 3 years. All the appeals of the Kenyan Government to Washington concerning the importation of food have run up against a wall of silence. Recently, the president of Kenya went to Washington personally. He was able to obtain promises from the United States to supply Kenya with 20,000 tons of corn, 30,000 tons of wheat and 15,000 tons of rice. After his return to his country, the Kenyan president announced to his countrymen that the United States would provide this aid to Kenya on the condition that Kenya offer the use of its ocean port to American warships present in the Indian Ocean. It is a well-known fact that this "presence" of American warships is one of the main sources of tension in the region.

At the same time, Washington's charity toward Kenya is very far from solving the food problems in this country.

Thus, the facts provide evidence that the American strategy of starvation consists of three main elements which comprise the essential meaning of this political strategy. The United States will either support their agent reactionary regimes by selling them food, endeavor to obtain the opportunity to establish military "presence" in return for charitable gifts of food to other countries, or will refuse to sell food in an effort to destroy the positions of the governments of those countries which pursue an independent foreign policy that displeases Washington.

Thus we see that the American "starvation strategy" is not just an imperialist policy aimed at achieving the expansionist goals of the United States but is also a means of increasing the severity of international tension.

IRANIAN PAPER CLAIMS ECONOMY DECLINING

Tehran TEHRAN TIMES in English 18 Apr 81 p 3

[Text] Tehran--Due to insane imposition of war on the Islamic Republic of Iran, Iraqi economy faces the biggest tragedy, reported JOMHURI ISLAMI in its Thursday issue.

The Persian daily said that the exact losses of Iraqi oil industry, transportation system, exports are still not available but gave a brief account for Iraqi sufferings in various fields.

1) Oil Industry: Oil facilities in the areas such as Mosal, Basrah, and Karkuk were destroyed up to a great extent. The pipeline through which the oil flows to the Mediterranean Sea was also damaged.

Iraqi oil production during the first six months of the current year were supposed to be between 1.5 million to 1.7 million barrels per day if Arvand River is not blocked, that means 2.5 million less compared to the pre-war period. To overcome these difficulties is out of Iraqi reach.

2) The over-all conditions of agriculture in Iraq are said to be the worst. Date production during 1978 were recorded at 580,000 tons while these figures had declined up to the level of 200,000 tons during 1980.

According to an analysis, these figures will further slide down during the current year.

The import of food stuff has been increased rapidly recently during the last six months. The import of meat from New Zealand doubled during the same period.

Several important economic projects have been put into cold storage because of the current situation prevailing in that country. These projects included, \$1 billion Mosal dam, \$1.2 million Dohuk dam and tobacco production plan to be put into practice by the Japanese experts.

It is also said that due to blockade of the ports, Iraq is having difficulties for the export through waterways.

3) Industrial sector: Almost all the industrial units in Iraq have been closed down and development plans such as petrochemical projects, steel and iron projects in Basrah, ALFA, an assembly plant for the manufacturing of the aeroplanes with the collaboration of France and West Germany, a plant for the manufacturing of transmission systems, automobile engines with the collaboration of West Germany, civic facilities which were under construction with the assistance of the experts from Switzerland and South Korea. These facilities were included, construction of schools, hotels, and the atomic reactor plant which has been badly damaged and which was being built at a distance of 30 kilometers from Baghdad on the northern side.

4) Transport sector: Basrah was the main port for the transportation of the goods. Now the port is working less than its original capacity. Iraq is now using Kuwaiti and Jordanian ports for its commercial purposes.

Rail and other land routes have been badly damaged. A major part of Iraqi oil export is being carried out through pipeline which goes through Syria, Lebanon, Turkey and Jordan. These four countries transport Iraqi oil daily, 700,000 barrels, 600,000 barrels, 400,000 barrels and 200,000 barrels per day respectively.

But due to unfavorable political developments in Iraq's ties with Syria and troubles in Turkey, Iraq is facing a great barrier in the smooth flow of Iraqi oil.

It will not be out of place to mention here that recently Saudi Arabia increased its oil production up to 10 million barrels a day to eliminate the oil shortage and control its price in the international market.

The plans for the construction of oil facilities have also been suspended due to its war imposed on Iran. One of the major plan envisaged 30 oil bases which were being constructed with the participation of Italy.

5) Industrial sector: The bilateral trade of Iraq with 'Organization for Cooperation for the Expansion of Trade' is increasing. Iraqi trade ties with Eastern Bloc countries has declined while its imports from EEC and other Western countries has increased considerably. Its trade with South Korea also increased. Iraqi import during the current year is expected to be \$15 billion. The imports included, food products, armaments spare parts, consumers goods and heavy machinery.

6) Monetary situation: It is forecast that due to war expenditures and other conditions, Iraqi foreign exchange reserves will stand at \$26 billion. Iraqi commitments for giving loans were also there. These loans were included: \$100 million to Jordan for the improvement of Otceiba port and \$209 million for India and Sri Lanka.

CSO: 4820/318

ACCOMPLISHMENTS IN KURDISH AUTONOMOUS REGION IN 1980 DETAILED

Baghdad AL-'IRAQ in Arabic 24 Feb 81 pp 4, 7

[Article: "Completion of 275 Projects and Continued Implementation of 734 Other Projects in Autonomous Rule Region"]

[Text] Last year, a total of 275 new projects were completed in the autonomous rule region at a cost of 17,748,290 dinars.

Work is currently in progress to implement 734 other projects in the region at a cost of 121,938,591 dinars.

A report prepared by the region's Executive Council on the activities of the self-rule region's government agencies last year notes that the Public Works and Housing Department completed 82 service projects at a cost of 4.55 million dinars and is currently implementing 176 projects at a cost of 49,946,000 dinars.

These projects include the construction of buildings for social, educational and health establishments, government offices and housing projects and development of highways.

The Municipalities and Summer Resorts Department completed 113 service and tourism projects at a cost of 8.45 million dinars and is now implementing 254 similar projects at a cost of 31,945,070 dinars. The Social Affairs Department completed 58 health and housing projects at a cost of 18,771,000 dinars. As a result, the absorption capacity of the region's hospitals has been raised to 1,250 beds. This department is currently constructing four buildings for health schools and institutes at a cost of 2.19 million dinars, a kindergarten and a social center at a cost of 205,000 dinars and seven other service projects at a cost of 2,235,000 dinars.

The Agriculture and Agrarian Reform Department has completed 28 agricultural and service projects at a cost of 620,790 dinars and is continuing its work to implement 96 similar projects at a cost of 96,151,591 dinars.

At the level of the planting campaign, a total of (121,788) dunums were planted during the past summer season and 1,859,000 sonums during the winter season. A sum of 2,217,310 dinars was disbursed in loans to the agricultural cooperatives in both the socialist and private sectors. A total of 61 livestock development projects were also implemented.

The report also deals with the accomplishments of the Awqaf [Religious Trusts] Department, noting that it constructed 21 public service buildings at a cost of 1,709,000 dinars and that it is currently implementing 81 similar projects at a cost of 10,895,000 dinars, including the construction of 58 mosques in the region's villages on a grant of 1.5 million dinars for the purpose from the party and revolution leadership. This is in addition to repairing 37 mosques at a cost of 236,000 dinars from allocations outside the grant.

The report further notes that the Internal Affairs Department constructed 21 public service buildings at a cost of 1,709,000 dinars and is continuing the construction of 81 similar buildings at a cost of 10,896,000 dinars.

Last year, the Passenger Transportation Affairs Department and the Freight Transportation Affairs Department were linked to this [internal affairs] department, in addition to the local administration, civil status and civil defense departments.

Regarding education, the report notes that 20 new kindergarten buildings, 207 elementary schools and 39 junior high and high schools were built, that 115 new schools were opened, 932 male and female teachers and 472 male and female instructors were appointed.

The number of schools in the region has thus risen from 670 schools in the 1972-75 period to 2,781 schools in 1979-80 whereas the number of male and female students rose from 133,765 students to 377,614 students and the number of teachers from 6,878 to 14,328 teachers.

The number of schools included in the school meal program has risen from 595 schools to 2,579 schools including 300,000 male and female students.

The Culture and Youth Department printed last year eight new books and published 20 books written by the region's authors and men of letters, in addition to two political posters. The department also organized four exhibitions and recorded 19 television programs, a number of patriotic songs and a number of symposiums.

The department also advanced financial aid to a number of the region's art, literary and cultural organizations. For the first time in the region, seven branches for popular culture were opened in the region's districts. Four new youth centers were also opened.

In the light of these facts, the experience of autonomous rule in the region is not just one of institutions but an enriching experience and a far-reaching and profound reality in the citizen's life--an experience that enjoys extensive support and care from the party and revolution leadership, headed by leader President Saddam Husayn.

The Public Education Department in al-Sulaymaniyah Governorate opened two branches for industrial crafts in the (Zaynari) Experimental Junior High School and the (Barayhaki) School in the city of al-Sulaymaniyah. These branches will give courses in draftsmanship, ceramics, metals, electricity and carpentry. The number of the governorate schools in which vocational branches have been opened now total five schools.

Craft workshops were also opened in five of the governorate's elementary schools and it is hoped that five more workshops will be opened in modern village schools shortly.

The Worker Cultural Center of the Irbil Governorate Federation of Worker Unions opened yesterday a cultural course in which 30 male and female workers are participating.

The participants in the one-month course will hear lectures on the revolutionary Arab thought, on the Arab-Persian conflict and on self-rule, labor and pension laws.

A total of 110 male and female youths of the General Federation of Iraqi Youth--Irbil Branch completed yesterday the special refresher academic course organized by the federation branch at Saydah Junior High School.

Participants in the 6-day course heard lectures on English, mathematics, physics and chemistry.

The local federation of labor unions in Irbil Governorate has organized a symposium for members of the governorate's joint work committees to discuss the role of these committees in the current phase, in implementing the national development plans and in enhancing the production rates.

It has been decided to hold joint meetings for the work committees every 45 days and to organize field trips to the production and service organizations for familiarization with the progress of their work. It has also been decided to present monthly reports in this regard.

Members of the Agricultural workers Union in Irbil governorate have donated their clothing allowances and winter work allowances to the fund for families of the martyrs.

8/494

CSO: 4802/533

MOROCCAN FELLAHIN WORKERS IMPORTED FOR AGRICULTURAL PROJECT

Baghdad AL-'IRAQ in Arabic 17 Mar 81 p 7

[Article: "Some 200 Moroccan Fellahin Families for the al-Dalmaj Agricultural Project"]

[Text] Next week, 200 fellahin families from the brother country of Morocco will arrive in the country to work in the al-Dalmaj agricultural project in the governorate of Wasit.

This was announced yesterday by Mr Karim al-Jasim, head of the General Federation of Fellahin Cooperatives. Mr al-Jasim said that the federation, in cooperation with the Ministry of Agriculture and Agrarian Reform, has made all the necessary arrangements to receive the families. Two hundred houses have been furnished in the al-Dalmaj project, each of them containing an electric refrigerator, a television and an air conditioner in addition to other special services in the village such as a clinic and a school. A paved road connects the village with the capital of the governorate of Wasit.

Karim al-Jasim added that a monthly sum of 50 dinars will be allocated to each family for a period of 8 months until the fellahin families have harvested their agricultural crops. These crops will include various grains such as wheat, barley and corn, and all varieties of vegetables in accordance with the agricultural plan established by the project administration.

The head of the federation explained that each family will be loaned 300 dinars without interest to be paid back over 6 years in annual installments of 50 dinars.

He stated that the federation made an agreement with the Moroccan authorities to allow the relocation of another group of Moroccan fellahin families to the country at a subsequent time with the aim of deepening fraternal ties and increasing profitable cooperation between Iraq and the brother country of Morocco in keeping with the pan-Arab principles of our country.

8591

CSO: 4802/601

PROJECTS COSTING 2 BILLION DINARS TO BE IMPLEMENTED IN 1981

Baghdad AL-'IRAQ in Arabic 12 Mar 81 p 4

[Article: "During This Year: Implementation of Various Industrial Projects With a Total Cost of Over 2 Billion Dinars"]

[Text] The State Organization for Planning and Industrial Construction will implement 108 projects in the construction, engineering, chemical and food industries this year at a total cost of more than 2 billion dinars.

An official source said that the organization will concentrate on building materials projects and other important and strategic projects in its plan for the coming years. Currently, the organization is preparing technical and economic studies for projects to produce aluminum blocks and is planning expansion projects for the iron and steel, petrochemical and fertilizer industries.

In addition, the organization is working to establish an advanced industrial documentation center utilizing electronic computers for storage and retrieval of industrial and technical information pertaining to all the organizations of the Ministry of Industry and Minerals.

The source explained that the organization completed 98 industrial projects in various phases of implementation last year. It also prepared 50 technical and economic studies for various industrial projects.

In addition, the organization signed contracts last year for the implementation of five gypsum projects with a total capacity of 750,000 tons per year, three mosaic tile projects with a total capacity of 105 million pieces per year, five projects for lime bricks and (thermostone) with a capacity of 600 million blocks per year, and two cement projects with a capacity of 2 million tons per year as well as other projects including projects for lime, ready-mixed concrete and ready-to-wear clothes.

The source said that the organization's plan during the past 2 years concentrated on the expansion of projects for the production of building materials in order to fill the ever-increasing demand for these products.

It is worth mentioning that the State Organization for Planning and Industrial Construction has implemented 150 projects during the past decade in the fields of petrochemicals, iron and steel, fertilizer, paper, foods and spinning and weaving. It has also expanded its implementation of construction industries, which have achieved a total capacity up to the present year of 16 million tons of cement annually and 3 billion bricks and brick substitutes as well as other associated materials.

8591

CSO: 4802/601

BRIEFS

IRANIANS URGED TO REBEL--Officers, NCO's and soldiers, oh vast masses oppressed by the clerical regime: In the Khomeyni-imposed war, thousands Iranian youths have been killed and hundreds of thousands have been rendered homeless. Iran's industry has been destroyed and Iran's economy has been utterly ruined. Also, universities have been closed and the Iranian youths are seeking consolation in heroin in mitigation of their ills. The freedom for which the Iranian people revolted is nowhere to be found. Oh revolutionary men of the armed forces, Muslim Iranian brothers and sisters: If you do not rise today to save Iran and to save the future of your children, tomorrow will be too late. Tomorrow there will be no Iran for which freedom can rise. The mullahs are not alone. International imperialism is behind them. Hit Khomeyni with his own invented Islam. Rise to save the true Islam--the Islam of Muhammad and 'Ali--and Iran from these traitors. Rest assured that the world of Islam and the remainder of the freedom-seeking world is with you and, most important of all, God is with you. [Text] [NC061244 Baghdad in Persian to Iran 0600 GMT 6 May 81]

ROAD CONSTRUCTION AT FRONT--Baghdad, 6 May (INA)--'Abd al-Wahhab al-Mufti, chairman of the general establishment for roads and bridges, has announced that the length of the roads constructed at the battlefronts with Iran amounts to 2,400 km. These roads were constructed during the first 7 months of the war to be used by the armed forces. He added that the size of the earthworks amounts to about 37 million cubic meters and that 17 bridges measuring 2,700 meters were constructed over these roads. [Excerpt] [JN071108 Baghdad INA in Arabic 1450 GMT 6 May 81]

FINNISH COMMERCE MINISTER VISIT--Baghdad, 5 May (INA)--Finnish Minister of Commerce and Industry Ulf Sundqvist and his delegation left Baghdad last night at the end of a 3-day official visit to Iraq. In a predeparture statement, the Finnish minister said that the outcome of his talks with Iraqi officials has deepened the relations and cooperation between Iraq and Finland in the various fields. He added that he sensed the Iraqis' determination and resolution to accomplish the development plans and projects despite the war circumstances through which Iraq is passing. He praised Iraq's principled stand on the conflict with Iran and its repeated calls for establishing peace in the area and solving the conflict through peaceful means. [Text] [JN050858 Baghdad INA in Arabic 0820 GMT 5 May 81]

BEGIN'S MOOD SEEN MORE CONFIDENT

TA081359 Tel Aviv YEDI'OT AHARONOT in Hebrew 8 May 81 p 5 Political Supplement

[Report by Arye Tzimuqi: "Begin to the NRP: There Are Many Chances That We Will Form the Next Government--and You Will Be Our Main Partner"]

[Text] Minister and Likud leaders are surprised by the substantial change that has taken place in Prime Minister Menahem Begin's recent appearances.

"It is not the same Begin we knew a few months ago," they say. "At that time, he was taciturn, gave the impression of a sad man, exuded lack of leadership and was in a pessimistic mood." Begin has recently changed the style of his statements, he has been energetically conducting the cabinet meetings and has been reacting sharply to the alignment's criticism. He has been inspiring his men with a "fighting spirit," and with optimism and has been encouraging them toward the 10th Knesset elections.

An NRP minister has recently received a note from Begin saying: "My dear friend, there are many chances that we will be able to form the next government. Please, maintain the unity of the NRP because it will be the main partner in the next government. Sincerely yours, M.B."

Begin told the cabinet legal adviser, Prof Yitzhaq Zamir, who called on him to deliver his opinion regarding Ra'anana Lurie's complaining against Arye Na'or: "Listen my dear friend, Arye Na'or will go on and serve as the cabinet secretary of the next government."

To Minister of Labor and Welfare Yisra'el Katz who spoke at length with Begin about his membership in the cabinet after he joined Dayan's movement, Begin said: "My dear Yisra'el, whatever the future of Dayan's movement and your prospects with it may be, I will suggest to you that you continue as the minister of labor and welfare in the next government, which I hope to set up."

What has led Begin to speak with such self-assurance about his chances to head the next government?

There are people who say that he changed his mood after the Histadrut election. Prior to the elections, Begin remarked to his associates that if the Likud obtained 20 percent he would regard it as a great accomplishment for the Likud.

When Begin heard the results of the elections which attested to the Likud's stable position in the Histadrut, Begin said that these results constituted a change in public opinion. It is interesting to note that Begin refused to comment on the fact that the alignment won the Histadrut elections.

Begin was also encouraged in the minuna [post-Passover] festivities when he was sympathetically acclaimed by the celebrants. Last year Begin was disappointed by the attitude of the celebrants toward him, this year the situation changed.

Until a few months ago, Begin avoided meetings with journalists. However, in the last few weeks Begin has not missed any opportunity to speak to the media and to react on various developments, even twice or three times a day. Sometimes he inquires whether the journalists of this or another press agency are present on the grounds, as was the case during the last Herut center meeting.

Begin has shunned appearances before the Knesset Foreign Affairs and Defense Committee. Recently, following an appeal by committee chairman Prof Moshe Arens, he also already twice appeared before the committee and reported on political and security developments. In the wake of the Lebanese crisis, Begin has been convening the ministerial committee on security affairs rather frequently although, in fact, he is the decisive person who determines its decisions.

There are people who say that Begin's statements in this committee have become more hawkish and aggressive than in the past.

Begin's attitude toward the opposition has also changed. Begin had been recently adopting a moderate tone in his remarks on the opposition but now his tone has become aggressive.

In the last meeting of the Knesset Foreign Affairs and Defense Committee last week, Begin blatantly attacked Shim'on Peres, Yosi Sarid, Yitzhaq Rabin and Dani Rosolio. He criticized the Labor Day holiday and expressed his anger that newspapers and articles on the Holocaust were not published that day. It seems the prime minister forgot that articles on the Holocaust had been published the previous day.

At the same meeting, Begin sneered at MK Niska Harish who told him: "Do not harp on the issue of the Holocaust because my family was killed in the Holocaust." The prime minister retorted: "You hardly mustered 61 percent at the Labor Party center to be a member of the next Knesset." However, it is not clear what is the connection between Harish's elections and the issue of the Holocaust.

Begin reached his peak in the last cabinet meeting during a discussion of the broadcasting authority's budget for next year. The prime minister seized the opportunity to set out on a devastating attack against the broadcasting authority, and particularly against television. "The broadcasting authority commentators on every political or public development cannot possibly be always alignment people. Instead of inviting government representatives who can give updated reports, the television asks Simha Dinitz, Hayim Herzog, Abba Eban, Mordekhay Gur and Mordekhay Hod--all of them 'has beens.' Where are the 'now' people!"--Begin asked.

Begin also sharply attacked Dinitz and Herzog personally and his utterances surprised his audience. It was difficult to see what took hold of the prime minister to so sharply "pick on" these two men who, in everybody's opinion, discharged their duties faithfully so long as they served in state posts. At the time, Begin himself also lauded and praised Dinitz and Herzog for their good services in Washington and New York, respectively.

It has been learned that the prime minister has somewhat regretted his attacks against Dinitz and Herzog, particularly after they became public, but has refrained from making up with them.

CSO: 4805/197

POLL SHOWS BEGIN'S POPULARITY INCREASES

TA081155 Tel Aviv HA'ARETZ in Hebrew 8 May 81 p 1

[Port public opinion poll: "Begin's Popularity Rose Last Month"]

[Text] Last month, Prime Minister Menahem Begin's popularity rose by 10.7 percent. Some 41.7 percent of the public are now satisfied with him as prime minister. This is the highest rate of popularity Mr Begin has registered for 2 years, although it is still lower than the popularity he enjoyed during his first year in office. At that time, Begin's popularity rated 60 to 70 percent. These are the conclusions of a nationwide public opinion poll conducted at the end of April by the Pori Institute at the request of HA'ARETZ.

Finance Minister Yoram Arider's popularity is lower than that of the prime minister, although there was a 2.3-percent rise in his popularity in April. Some 33.4 percent are now satisfied with his performance as finance minister.

The finance minister's popularity mainly changed due to a drop in the number of people who abstained from expressing their opinions about him. Last month, 32.1 percent had not formed an opinion regarding the finance minister and their number dropped to 15 percent in April. About half the people who had not formed an opinion regarding the finance minister have now joined the camp of those opposed to him--33.6 percent--whereas the second half has joined the camp of the hesitant, those who are "more or less" satisfied with him amount to 18 percent.

Interior Minister Yosef Murg's popularity is still low, although a certain increase has also been discerned in his popularity. About 23.1 percent are satisfied with his performance as interior minister compared to 19.3 percent last month. Some 53.5 percent are not satisfied with him compared to 58.9 percent last month.

The poll was conducted on a representative sample of 1,200 women and men who were interviewed privately in their homes throughout Israel.

CSO: 4805/197

POLL SHOWS MAJORITY AGAINST U.S.-SAUDI ARMS DEAL

TA051222 Tel Aviv HA'ARETZ in Hebrew 5 May 81 p 3

[Pori public opinion poll: "An Absolute Majority Opposed to U.S. Arms Supplies to Saudi Arabia"]

[Text] The U.S. sale of aircraft and other weapons to Saudi Arabia has aroused strong opposition within the Israeli public which thinks that this would pose a real threat to Israel. At the same time, there is certain support for the view that close military cooperation between the United States and Saudi Arabia may ultimately bring Saudi Arabia to show more cooperation in seeking a peaceful solution to the Palestinian problem. These are the conclusions of a nationwide public opinion poll conducted by the Pori Institute at the request of HA'ARETZ.

Some 87 percent of those polled expressed various degrees of opposition to increasing Saudi Arabia's military strength by supplying it with U.S. aircraft and other weapons compared to only 6.6 percent who supported such a move (including 2.2 percent who were "very supportive" and 4.4 percent who were "slightly supportive").

Some 83.5 percent of the polled also believed that the supply of sophisticated aircraft to Saudi Arabia posed a threat to Israel compared to only 6.9 percent who thought otherwise. Some 4.3 percent said that "it may contain a threat" but that this depended on "how and what would be our compensation."

Nevertheless, 11.5 percent expressed their opinion that closer military cooperation between the United States and Saudi Arabia would ultimately cause the Saudis to be more cooperative in seeking a peaceful solution to the Palestinian problem, whereas 19.8 percent said that this "may" bring about such cooperation. Thus, about one-third (31.3 percent) of the public believes that U.S. arms supplies to Saudi Arabia may moderate the positions regarding the Palestinian problem.

Some 55.2 percent expressed their view that, in any case, the U.S. arms supplies to Saudi Arabia would not bring about any change in Saudi Arabia's extremist positions. The remaining 13.5 percent said they "did not know" how the supply of U.S. arms to Saudi Arabia would influence the search for a peaceful solution to the Palestinian problem.

The poll was conducted on a representative sample of 1,200 people who were interviewed in their homes throughout the country.

MAJORITY OF ISRAELIS SUPPORT SETTLEMENTS IN WEST BANK

TA080749 Jerusalem POST in English 8 May 81 p 3

[Report by political correspondent Mark Segal: "Poll Shows Wide Support for West Bank Settlements"]

[Text] Tel Aviv--Nearly three-quarters of the Israelis questioned in the latest JERUSALEM POST poll favour continued settlement in Judaea and Samaria.

While one-third said they support unrestricted settlement, another third said they would agree to further settlement only if it did not hamper the peace process, damage Israel's image abroad or cut into social spending.

The poll was conducted by the Modi'in Ezrahi Applied Research Centre among a sample of 1,237 adults. It found that 73.7 percent favoured continued settlement:

Only in Judaea and Samaria	37.4 percent
Only in security centres	17.0 percent
Outside Arab centres	2.3 percent
Only in Jordan Rift	1.8 percent
Only to augment existing settlements	2.4 percent
Did not specify where	12.8 percent
Twenty-four percent opposed continued settlement and 2.3 percent were undecided.	

Those favouring continued settlement were also asked if it should hinge on any conditions. Some 47.6 percent said that it should not, 38.9 percent stipulated conditions and 13.5 percent were undecided.

According to centre director Sara Shemer, the hard-liners identify with the Likud, the Tehiya and the NRP. She also said a preponderance of them are blue-collar workers, oriental, strongly religious, and of lower education.

CSO: 4820/323

CONSOLIDATION OF WEST BANK SETTLEMENTS 'PEAKING'

TA050851 Jerusalem Domestic Service in Hebrew 0505 GMT 5 May 81

[Text] Our correspondent, Avraham Ben-Melekh, says that in Judaea and Samaria the consolidation of Jewish settlements is now peaking.

[Begin recording] Four hundred housing units are these days being transferred to 13 settlements in Judaea and Samaria. By this summer hundreds of new settlers' families will be absorbed in them. Permanent houses are also now being built in Jewish West Bank settlements. The temporary housing units that are being vacated are earmarked to absorb new families.

The main effort, however, has recently been invested in establishing the seven settlements meant to complete the cabinet's settlement plan. The establishment of three of those settlements has been delayed due to appeals lodged by Arab landowners; namely, Shave Shomron B, Barqan on the Samaria east-west highway and Mitzpe Govrin on the southern slopes of the Hebron Mountains. The paving of roads to those settlements has begun but the continuation of work has been suspended pending a decision by the military appeal commissions, expected to be handed down this month. As for the other four settlements, it appears that the absorption of the first families will begin in the course of this month. The road-paving and ground-leveling stages have been concluded. Housing units will soon be delivered to Shaqed in northern Samaria and to Nili in the Modi'in area. At Ma'ale 'Amos in the Judaea desert and at Mikhmas on the Allon highway on the other hand, dozens of houses have already been setup.

Efforts to reinforce settlements beyond the green line prior to the elections is also taking form in the paving of roads and in the search for water. Within 2 months the Samaria east-west highway will probably reach the Jordan Valley. Moreover, water has been found at Shilo this week. Also at Ari'el and at Qirne Shomron water will be obtained this summer from local water resources. All this is well enhanced by the houses that are being constructed at Qiryat Arba' and at Ma'ale Ha'adumim. [end recording]

CSO: 4805/197

CLANDESTINE MUSLIM ORGANIZATION DESCRIBED

The Jihad Family

Tel Aviv HA'ARETZ in Hebrew 6 Mar 81 Weekend Supplement p 12

[Article by Ya'akov Habakuk]

[Text] The end of the thread was revealed at the time of the investigation of Bassam Mahajana, a soccer player of the 'Um al-Fahm worker group, who had supplied the explosive material to the gang of explosives handlers in Jaffa. Mahajana, a resident of 'Um al-Fahm, told his investigators that he had negotiated an arms deal between soldiers and a group of religious youth resident in his village.

At the beginning of last December the security arms fanned out through several houses in 'Um al-Fahm, Baga al-Gharbiyah, Kafr Qasim and Qalansuwa in the Lesser Triangle, and arrested tens of suspects. In two other night forays, which had been carried out by 13 January, more suspects were arrested, 160 grenades were found (almost all of IDF manufacture, some still packed in their original crates), an Uzi submachine gun, two handguns, maps, photographs and more.

Already in the early phases of the investigation, the picture was coming into focus: we are speaking here of a clandestine organization of youth, some with very clear nationalistic orientation, which functioned on the scale of the Muslim Brotherhood. The "Arabists" of the Establishment, among them the advisor for Arab affairs in the prime minister's office, who, over the years, had argued that a clandestine nationalistic organization among Israeli Arabs was not possible without the fulfillment of three conditions (a clandestine organizational mold, weaponry and the capability of training in it)--were first to admit, although unwillingly, that their conception did not stand the test of reality this time.

Already in 1978 the tendency began to gain strength among Israeli Arabs, particularly in the Triangle, to return to religion, to the Islamic sources. This was part of an expanding trend in various places in the world, and in the Muslim reaches, which sought an escape from the disappointment which Western modernization had dealt. A religious person from Kafr Qasim encouraged many young people who were unable to find their place in city or village, to make a turnaround in their lives and to come to the mosques, to try another way. The Khomeyni revolution in Iran, helped this. Hundreds of errant youth responded and began to frequent the mosques, to peruse the religious literature which had been brought from

the West Bank. Among those who searched truthfully and innocently for the answers to questions which were troubling them, were also militant elements. These saw in religion, and in the religious movement which was gaining strength, a springboard. They well knew what return to Islam meant, they well understood the strength latent in this manifestation. They saw in RAKAH an unrepresentative party, they learned that the Security Establishment are following with great interest the activity of radical groups such as the Village Sons and the Progressive Nationalist Movement, and that is what prevented them from functioning in relative freedom. The religious framework which was forming, thus appeared to them as convenient ground for action, at least as a mask.

As does every conspiratorial organization, they planned their steps with a great deal of thought and with care. For many months they remained in hiding, were careful to preach on clearly religious matters, demanded from the hundreds of youth to comport themselves according to pure principles of Islam, to pray, to observe a modest life-style. Thus, their pure religious image gained strength. There were elements which saw in this manifestation a positive trend.

The turnabout began to show itself in mid-November 1979. The nationalistic radical elements among the penitents organized a large Islamic convention on Nazareth, on the occasion of the 1400 New Year of the Hejira. In the proclamation which was disseminated in the Triangle and the Galilee, the masses of Muslims were called upon to participate in the convention scheduled to take place on 16 November in the Peace Mosque at Nazareth. Four thousand assembled in the Peace Mosque at Nazareth and heard the sermons of Shaykh Ahmad Yasin and Muhammad Fuad Abu Zaid, both from the West Bank, and Abdallah Nimmar Darwish, from the Gaza Strip. These three sermonizers (one of them Shaykh Muhammad Fuad Abu Zaid, had been arrested after a few months on the charge of hostile subversive activity) inflamed the spirits. They called for establishment of a movement in the style of the Muslim Brotherhood in Israel also, labeled Israel an "infidel state," defamed it for forcibly holding the al-Aqsa Mosque, and defiling it, and ended with words of defamation for communism and imperialism.

After this convention there were extremist elements from the Triangle who sought to accomplish two main goals: First, to read the pulse and determine who their potential constituency was; and second, preparation of the convention at Nazareth, considered to be the main stronghold of RAKAH, as a complaint against this party and a broad hint of things to come. The propagandizers of RAKAH, who apparently got the message, hastened to react. During the evening hours, when thousands of Muslims left the mosque, a large fracas erupted between the two camps.

Contacts With PLO

The 'Usrat al-Jihad Organization which was established in the Triangle as a double-zealot organization, was divided into three regions: the nucleus of the Northern Region was at 'Um al-Fahm; the Central Region, among whose activists are members of Baqa al-Gharbiyah, the Southern Region, including Kafr Qasim, Qalansuwa and its environs.

The regional-commander had authority over members of the organization within his jurisdiction and he also was involved in recruitment and placement of new members.

Members of the 'Urat al-Jihad Organization, some 70 persons, were organized in small cells of four members each, and at the head of each group an appointed commander, responsible also for operations and for the ideological leadership of his men. All members of the organization, without exception, were attired in white robes, knitted skullcaps on their heads. They sported beards in the style of the Muslim Brotherhood, were required to be totally loyal to the organization and its leaders.

The 'Urat al-Jihad Organization dovetailed religion and nationalism in its character and in its activity. Its leaders aspired to accomplish the goals of the Muslim Brotherhood Organization. Its immediate objective is to concentrate for the meantime on two immediate goals: First, to assemble a great quantity of weaponry and to train, in order to be able to carry out operations. And secondly, to undertake operations that were damaging to the economy of Israel.

According to a media report, members of the clandestine organization arsonized fields and forests.

Several members of the organization, and in particular members of the Northern Region which included 'Um al-Fahm, carried out a number of subversive acts within the confines of their village: they burned a movie-house which exhibited films that in their opinion were immodest; they burned a tractor of a village resident; they destroyed the vehicle of a village woman resident who used to transport girls to work in Nazareth; they burned a cafe-house and shot at the cafe owner, who had refused to close his establishment during the month of Ramadan.

The organizational modes of the clandestine organization that were revealed in the Lesser Triangle, their attire, their hymn and their goals--associate them with the Muslim Brotherhood Movement. The Muslim Brotherhood have a significant power base in Jordan and from there they direct the activists of the movement in Syria and in other places. It is possible that heads of the 'Urat al-Jihad Organization maintain ties with a number of activists of the Brothers in these cities, and through them obtain ideological material.

In addition to these activists, visitors to the villages of the Triangle in which the activity of the organization was focused, were a considerable number of sermonizers and lecturers noted for their nationalistic orientation or for their sympathy to the Muslim Brotherhood. Thus, for example, a frequent sermonizer at 'Um al-Fahm and at Kafr Qasim was Shaykh Akram Sabri, who is responsible for the sermonizers on the West Bank. Shaykh Akram, age 40, a native of Qalqilyah who is now resident in Jerusalem, a member of the Committee for National Direction, a frequent figure in the conflict among heads of the religious establishment on the West Bank, known for his religio-nationalist activism. Aside from him, there came to the mosques of the Triangle Shaykhs Ahmad Yasin, Muhammad Fuad Abu-Zaid and 'Abdallah Nimmar Darwish, not to mention the extensive activism of the Imam 'Abd al-Sami' Hassan al-Rifa'i. While the former are known for their radical viewpoints, the latter who is among the active of the Muslim Brotherhood in Egypt, has advocated a return to the original pure Islam. He saw in his religious activism a holy struggle against modernists and against militant radical elements. The fact that he moved from the West Bank to live in the Triangle, at Kfar Qar'a, made him suspect in their eyes and a collaborator. The extremist elements against

when he spoke and the central activists of the 'Usrat al-Jihad Organization saw in him a hindrance and a hazard, and therefore exerted pressures upon him. When he left the Triangle and went back to live in Bethlehem, it was clear that the arena had been returned to the activism of the nationalistic zealots. The mosques which drew to them the hundreds of youth who were searching for a way and for penitence-- became the meeting places, the places in which the ideological material was transmitted under a nationalist-religious cover. The nationalistic sermons were frequent and extremist, the tone became more and more sharp and clear.

Subversion Under the Guise of Charity

The activism of the clandestine 'Usrat al-Jihad did not escape the attention of the Muslim religious establishment in the country. The clergy whose image since 1948 had weakened did not view with favor upon the nationalistic activism that was concentrating about the mosques under cover of the religious robe. The clerics in the Galilee and in the Triangle who sensed the new spirit wafting through the Triangle, called upon the religious youth to concentrate on religion, on its principles, on humanitarian activism; they asked that the mosques not be exploited for irreligious purposes. Leaders of the 'Usrat al-Jihad continued their way. They repeated the demand for a puritanical life-style in consonance with the original spirit of Islam; they conducted donor functions on religious events, and only a portion of the monies collected was distributed to the poor; they went out on personal-persuasion activities at every opportunity, particularly during religious events such as the eve of the month of Ramadan, the Prophet's birthday, the Hejira New Year and the like. The nationalistic inciting message was covert. In Qalansuwa, a group called the Qalansuwa Youth distributed a characteristic announcement bearing the title: Soul Searching For the Faithful Muslim. Twenty-nine questions in this announcement dealt with relevant religious matters such as faith, charity, commandment of the Fast of Ramadan, the punctiliousness of family purity, and only the final question was slightly different: Have you prepared yourself for the jihad?

Nurturing of the idea of the jihad against the infidel State of Israel which holds the al-Aqsa Mosque and defiles it, was an important and central nucleus in the propaganda of the clandestine 'Usrat al-Jihad both orally and in writing. However, the propagandists of the clandestine organization took great care to mask the idea of the jihad in an attractive and delicate cover. They did not wish to arouse against them the ire of the moderate elements among the Israeli Arabs, the anger of the faithful who advocate co-existence, and the wrath of the Muslims who see themselves as citizens of the State of Israel, not to mention their fear lest the security services reveal a special interest in them.

The severe caution enabled them to thoroughly exploit the advantages that the awakening religious movement encompassed within it. The use of somewhat nebulous language, in Arabic words that were drawn from the classical religious sources, were designed to afford them a comfortable out at a time of need. In the meantime the use of the accepted religious terminology, in images borrowed from the world of Islamic commentary. The demands which they brought up from time to time (such as for example, the doing away with co-education in the schools of the Arab sector)--all of these left a significant residue in the minds of those who were

drawn after them in truth and in innocence without knowing their true intentions. The donor campaigns, the concern for the destitute and the needy, the concern for the weak and the helpless--although these were toys rather than goals in their hands--accomplished their purpose. They knew well that without the support of the society within they lived and functioned would make organizing difficult for them in the present, and the actual activism for the attainment of final goals in the future.

The Lesser Triangle, the single pure Muslim region in the State of Israel and, on the strength of its physical proximity to the West Bank,--was the convenient ground for the activism of a religious nationalistic zealot group such as this. The proximity to a religious city such as Qalqilya, the nearness to Tulkarm, to Jenin, to Nabulus, wherein clerics with nationalistic awareness function, the free approach of sermonizers and lecturers from the West Bank and the Gaza Strip, the transmittal of religious ideological material from the Territories and social factors characteristic of the villages of the Triangle--all of these strengthened and perhaps even directed the 'Uarat al-Jihad Organization onto the particular tracks which are attributed to it.

The explosion took place at the beginning of last December. The detentions and the discovery of arms caches in several villages generated a great deal of tension in the region of the Lesser Triangle. Whoever happened into one of the villages of the Triangle during the past 3 months certainly sensed the change in atmosphere. The faces of the villagers in the four villages from among whose residents the suspects were arrested, as well as in the neighboring villages, were sealed and their tongues guarded. No one dared speak. Even when someone agreed to open his mouth, he took particular care to say nothing specific. The impression in general is that the residents of the Triangle disagree with the extremist youth. The reports published in the communications media only brought to the surface what had been, up to then, in the realm of rumor. What had formerly developed in secret, became public knowledge.

In the village of 'Um al-Fahm, considered to be one of the strongholds of the 'Uarat al-Jihad Organization, everyone is trying to lower the profile. They seek to stress that there is no truth at all to the accusations brought up against a number of the villagers. They represent the detained youth as good boys, moderate, as people who are not capable of acts of violence or folly of the kind attributed to them. A number of black-haired youth of the radical group Village Sons, do not hide their sympathy with the detainees. They tell about youth who were drawn to the clandestine 'Uarat al-Jihad and were convinced to become active by agents provocateurs of the SHABAKH who were planted in the organization. There is a belief that the villager Bassam Mahajana, who brought about the exposure of the zealot organization and admitted that he had mediated the deal of the purchase of arms between a number of IDF soldiers and the leaders of the clandestine organization, was transferred after the giving of his testimony to a prison in Giv'atayim in order to facilitate his escape. About this speculation, one who views the escape of Mahajana from the prison in Giv'atayim as part of the affair of his with the police and SHABAKH, lawyer Amon Zikhrony, who represents, among others, seven of the residents of 'Um al-Fahm who are about to be brought to trial, says: "Maybe I'm too naive, but it seems to me that Bassam Mahajana was

sprung from prison. His escape does not benefit the prosecution because he is needed as state's evidence in the trial."

Attorney Zikhrony, as other of his colleagues who condone the tens suspected of membership in the 'Usrat al-Jihad Organization complains about the publicity which accompanied the incident. "The nature of the accusations requires a secret and quiet investigation," he says. "The wide echo which was given to the investigation, to the exposure of the organization, to its goals, is misplaced. It has gone beyond all proportion." Security elements reject these remarks of Attorney Zikhrony. Their opinion is that the investigation was applicable and diligent. "The indictment documents of the heads of the organization demonstrate how much this organization was a menace," says a security source connected with the first stages of the investigation.

And in the meantime, while the issue does not leave the news columns, a series of trials is continuing in the military court at Lydda. Four members of the organization, who admitted to membership in the clandestine 'Usrat al-Jihad, were sentenced to periods of imprisonment up to 20 months. During the coming weeks a trial will begin for the leaders of the religious zealot clandestine organization and their indictment documents will include very severe sections.

Between the Brotherhood and the PLO

All of their activities were designed to put upon the members of the organization a label of ethical observers and defenders of the principles of Islam in order to blur the nationalistic-radical character of the organization and to divert the attention of the police from its true face. The connection of the 'Usrat al-Jihad Organization with the PLO on the one hand and with the Muslim Brotherhood on the other, is a key point.

If there was in fact a connection between the 'Usrat al-Jihad Organization and the PLO, then there is an interesting point coming up here. PLO, an organization advocating the liquidation of the State of Israel and the establishment of a secular democratic state in its place, supports a religious clandestine organization which is identified with the Muslim Brotherhood and operates to achieve their goals. What sense does it make for a secular organization to support a clandestine religious-nationalistic organization which sees a solution not in a democratic state, but rather in an Islamic state and in Islamic laws? Logic would dictate that the reason for the connection between the PLO and the 'Usrat al-Jihad Organization, if indeed such a connection is proven, stems from the mutual goal of both organizations: both do not accept the existence of the State of Israel, both aspire to replace it, each one in its own way and under its own conditions. And even though there are differences of opinion on the manner in which to achieve the ultimate mission--the mutual goal is a sort of common base which determines that it is possible to cooperate with one infidel, if it is desired that the larger infidel be subdued.

Return to Islam

Tel Aviv HA'ARETZ in Hebrew 6 Mar 81 Weekend Supplement pp 13, 52

[Interview with Khalil 'Othman, Lecturer in the Department of Arabic Language and Literature of Tel Aviv University]

[Text] [Question] When did the trend of return to religion begin to manifest itself, and what were its causes?

[Answer] The return to Islam during this period does not deviate from the Islamic concept in general. It was preceded by awakenings in previous days both among the Arabs of this country as well as among Islamic nations, since Islam became founded as an ideology in the Middle East. The very return is a part of the theories that Islam had introduced into the consciousness of the Muslim. Religion was perceived as an advocate of social justice, as attempting to eliminate the injustices, as encouraging opposition to tyranny--and as long as such phenomena existed, the return to Islam was essential as the source of salvation to the oppressed society. There is no lack of examples for this: The Mahdist Movement in the Sudan, the events in Pakistan prior to its independence. Similarly, what has occurred in the present in Iran, in southern Iraq, in Syria and in Egypt, where the religious class is carrying the banner of opposition to Sadat's line. Awakenings have always come about after defeats, or against the background of a specific disappointment. Few know that after the 1967 defeat there was a tendency to return to religion within the borders of the Land of Israel. A considerable number of youth began to pray while totally lacking organization, aspirations, or a guideline. They believed that only religion can support or bring about the victory to the Arab world.

The return has an ideological anchor in the earlier faith. In Sunnism there is a principle that the Deity determines what will happen to mankind. If one believes that everything is decided by Allah--one returns to the faith. When a man fails, he does not search for an alternative--he returns in his faith to religion for, to the best of his faith Allah will be the one to help him. He says: "I shall be a good Muslim, I shall fulfill the religious obligations--and Allah will help me."

[Question] You maintain that return to the faith came after a failure or disappointment or a crisis. How do you explain the return to Islam among the Arabs of Israel?

[Answer] There have been no outstanding crises in recent years for the Arabs of Israel, nor has success been their lot. There has been a freeze in their situation. The Palestinian problem hovers, there are difficulties in a sense of belonging to the State--but all of these are not crises. It appears to me that in this case the Iranian revolution fulfilled an encouraging function. That same awakening after 1967 which faded after about half a year, returned and blossomed on the surface after Khomeyni's success. In my opinion, in this case as well, the deterioration which we see today will not spread.

[Question] Does the return to Islam mean a disappointment with Western culture?

[Answer] It symbolizes, first and foremost, a disappointment with the regime among the Islamic states. This is not a literal coming out against the West, against the Christian culture, but rather more an aspiration that the Islamic society will shake off the base culture which has penetrated Muslim societies. From time immemorial the eyes of the Islamic reformers were focused backward, to the glittering period of the first caliphs (al-Rashidun). This is a form of nostalgia for the days of the pure Islam.

[Question] There is a tendency to see the religious awakening and the religious zealotry as characteristic of Shi'ism, and yet the phenomenon is evident also among the Sunni Muslims.

[Answer] The Shi'ite has a more fanatic image, but the power of Islam today is in the levels of the common people, with no connection at all to their being Sunni or Shi'ite. The common people have always been seized by religion. Among the Israeli Arabs there is practically no Shi'ism at all, and yet there are here people prepared to do battle and to die for the principles of religion!

[Question] It would appear that the young in particular tend more toward religion. Why?

[Answer] Because the young in Arab society are the ones who care.

[Question] Also in the clandestine organization which was uncovered in the Triangle many are young. Can you outline characteristic lines of these youth?

[Answer] The age segment is between approximately 25 to 38. The majority of this bunch is not included in the category of "good children." Most of them work in Tel Aviv, or in other cities, in locksmithing, in kitchens, in gardening. These are people who have not attained gratification and success. In the Jewish sector they have been unable to find status or satisfaction for themselves, some of them even degenerated into the world of crime. Nor did Arab society absorb them, since it prefers successful people. This frustration undoubtedly pushed them to where they were pushed.

[Question] The tendency is to see a clandestine organization in the dimension of the Muslim Brotherhood. What are the principles which characterize the Brotherhood?

[Answer] The ideology of the Muslim Brotherhood, and I rely upon their writings, extends over two stages: The first stage is purifying the Muslim world and the Muslim countries of all the forces which dominate in them, without exception. The goal is that the authority pass from the current rulers to the clergy. The Muslim Brotherhood believe that only they are able to lead the Muslims to success. This argument of theirs bases itself upon the fact that all the current ruling bodies did not provide answers to the problems of modern Islamic society even after the invention of the socialistic or Marxist or Western ideology. Even Nasser, who was the symbol of hope, failed. Therefore, they say, "Let us function, we now have the right to function because we represent the Divine Justice." That is the first goal in the Muslim world. The second stage, wider, and in which they are

attempting to renew the momentum and the mission of the original Islam, that is, disseminate Islam so that other nations throughout the world will accept the religion of the Prophet Muhammad, the justice which it embodies. They bring examples of what all of those theories and ideologies have done to the oppressed masses, and their conclusion is sharp and smooth: We as Muslims, if we restore the Muslim world to being a single body, which will function together--we shall bring salvation to all the wretched of the world. They see themselves literally as carrying on the prophetic mission of Muhammad. It should be emphasized that there is no nationalism or nation in their terminology. Everything is Islam, that is the general framework into which all enter.

[Question] People of the 'Ummat al-Jihad Organization advocated a return to the faith and to prayer together--what is the meaning of these slogans?

[Answer] Return to the faith means that if you wish to be a good Muslim you must show an example of fulfilling the commandments. They used to convince people to pray, to fast, that is the way it began. After that they attempted to prevail upon local authorities to separate boys from girls in the schools.

[Question] As a religious-zealot minority, they attempted to impose their will on a secular majority. Is there a chance for this?

[Answer] They used religious cards. Even among the levels of the intellectuals religion has a great psychological power. The Islamic religion is a dangerous weapon against anyone opposing it. Even an educated person who does not think himself about return to the lap of religion--is not able to say this with full conviction, aloud, because our society is a Muslim society in its every aspect. Even I, who teach at a university, do not dare oppose them.

[Question] In their few proclamations, and in particular in their sermons, many of the members of the organization advocated jihad. What is the principle of jihad?

[Answer] Jihad is the war against non-Muslim powers, to force them to become Muslims. This is a holy war. The principle of the jihad is included in a later phase as a sixth principle in the fundamental commandments of Islam. The jihad has passed through stages of peak and valley, and every stage was well anchored in the Muslim religious law.

The jihad was subject to the influence of exigencies. Even during the first days of Islam there were cease-fire agreements with infidels--and no one claimed that this was invalid. Islamic history is replete with alliances with enemies of Islam, such as in the days of the Abbasid Empire, in the days of the Ottomans and it is taking place even in our own day. The jihad, as an implementable principle, has never been free of political considerations. During medieval times there were cases of an Islamic country concerned about freezing the dissemination of Islam because of economic considerations, in order to collect head taxes from non-Muslims; and when non-Muslims decided to convert to Islam, they were told, convert to Islam but you pay the taxes! The jihad took on its full sharp meaning in a period of danger, such as at a time of the danger of incursion from without. The most outstanding example is the Crusader Period. It seems to me that it was

close to that stormy period when almost all jihad literature was written. In sum, the jihad element is a play thing in the hands of the ruler. It is not possible to proclaim a jihad every single time and it is not possible to go out on a jihad when the opposing side is stronger. Such a situation would mean suicide, and suicide is not exactly one of the advocacies of Islam. Jihad is not an obligatory principle, not in the past and not 'n the present. The stimulation of the idea today is really a political propaganda matter.

[Question] Is a situation possible wherein the return of a specific group to Islam is nothing more than a cover-up or a mask for nationalistic activity, and does it seem to you that in the case of the Triangle such a possibility would appear realistic?

[Answer] Such things have happened in the past, that religion has served as a stimulus for nationalistic activism. In the case of the Triangle, I cannot say for sure that there is such a possibility.

[Question] The activism of the clandestine organization in the Triangle was concentrated in specific villages; are there, in your opinion, special reasons for those villages in particular?

[Answer] We'll take the village of 'Um al-Fahm as an example. The extremism in the village stems, in my opinion, from the very atmosphere existing there. 'Um al-Fahm has a sharp demographic problem. It is a very large village suffering from a variety of difficulties, starting with population density and land distress, and including problems of livelihood and existence. This pressure brings about frustration, and frustration is fertile ground for a search for salvation by various means, such as extremism in political opinions, irate forms of expression, etc. Everything takes on extremist proportions. Even when they went onto the religious issue, they did it with flagrant extremism. In general, every routine conflict in the village--brings about a riot and it has sharper implications than in other villages in the country. Our village, Baka al-Araviya, is a village of contrasts. That is, a village in which you can find everything of everything. There are no socio-economic problems here as in 'Um al-Fahm, but here there are many "insanities." This Activism of the kind of a clandestine nationalistic organization with such accusations is not characteristic of the inhabitants of the village. We are discussing a fringe group. In Kfar Kassam, the reason, in my estimation, is of psychological origin. They find it difficult to forget the tragedy of 1956. If you investigate who among the village inhabitants is involved in an incident, you will find that almost all are connected in one way or another with the families that were hurt at that time. I have no doubt that what was projected at Kfar Kassam was a nationalism which was supported by specific local personages of charisma and influence.

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CSO: 4805/180

GAP BETWEEN LIKUD, ALIGNMENT NARROWING

TA031128 Tel Aviv HA'ARETZ in Hebrew 3 May 81 pp 1, 2

[Pori public opinion poll: "The Gap Between the Likud and the Alignment Has Decreased"]

[Text] The gap between the Likud and the alignment is narrowing: 2 months before the elections (which have been set for 30 June) the gap has narrowed by 12 seats. The number of people who say they will vote for the Likud has risen, meaning 33 seats for the Likud. The number of people who say they will vote for the alignment has dropped, meaning 45 seats for the alignment.

The gap between the two large parties is now equal to the gap in the 1977 elections when the Likud won 45 seats (2 of them for Shlomziyon) and the alignment won 32 seats. The strength of Moshe Dayan's list (Telem) has not changed since the previous poll (HA'ARETZ 16 March) and remains 4-5 seats. MK Shulamit Aloni's list (Ratz) has lost 2 seats, from 5 seats in March to 3 seats now. The Shinuy movement is now guaranteed 2 or 3 seats.

These are the main findings of a nationwide public opinion poll by the Pori Institute, conducted about 2 weeks ago at the request of HA'ARETZ.

The poll's editor, Pori director Refa'el Gil, comments that the poll, which was conducted in the middle of April is based on a double check method through the use of a polling booth (the people questioned were asked to put secret ballots into a mobile polling booth) and through a questionnaire in which the participants were asked openly about their voting intentions.

The poll shows that there has been yet another drop in the percentage of "floating voters" who have not yet decided for whom to vote, from 12 percent in March to the current 10 percent. About 108 seats of the total 120 Knesset seats have been decided upon.

The poll's editor stresses that these findings are only valid up to the middle of April and there may, of course, still be changes, both in the party lists and in the voting breakdown by election day at the end of June.

Below is a detailed breakdown of seats according to all the parties and lists:

Likud 33, alignment 45, NRP 6, Dayan -5, Agudat Yisra'el-Po'alei Agudat Yisra'el 4, Ratz 3, Shinuy 2-3, Hatehiya 2, Sheli 1, minorities (estimated) 5, others 3.4, and abstentions 12.

The poll covered a representative section of 1,200 men and women aged 18 and over with voting rights who were interviewed personally in their homes.

CSO: 4805/197

OPINION POLL ON GOVERNMENT ECONOMIC POLICY

TA041400 Tel Aviv DAVAR in Hebrew May 81 p 2

[Mina Tzemah public opinion poll: "Fifty Percent Are Still Opposed to Government's Handling of the Economic Sphere"]

[Text] Even though for the last 4 months the Likud has enjoyed a continual upswing in the public opinion, the Likud government is still viewed negatively by the majority of the public in terms of the government's general functioning and especially for its handling of the economic sphere. This transpires from the most recent monthly poll conducted by Dr Mina Tzemah, the director of the Dahaf Company's research institute for Kesafim.

The poll, however, indicates that compared to the evaluation the government used to receive from the general public in the second half of 1980--during its deep recession period--a considerable improvement has occurred in the public's assessment of these two spheres, as follows [in percentages]:

Evaluation	General functioning		Economic sphere's handling	
	Mid 1980	April 81	Mid 1980	April 81
Very good	3	5.5	1.7	4.1
Good	11.5	22.4	6.3	14.2
Medium (so-so)	28.4	36.3	20.3	29.4
Not good	21.1	14	17.3	21.2
Bad	33.5	19.6	50.7	28.9
No answer	2.5	2.2	3.7	2.2
	100	100	100	100

The data indicates two outstanding phenomena:

A. In the course of the recent months a big improvement has occurred in the public's assessment of the government's general functioning. While 7 to 8 months ago the ratio between those who evaluated the government's functioning positively (14.5 percent) and those evaluating it negatively (54.6 percent) stood at 1 to 3.8, in the last poll this ratio has decreased to 1 against 1.2 (27.9 percent said performance was "good" and "very good" in contrast with

33.6 percent who said it was "not good" or "bad"). In other words, there are still more people who reject than who favor the government's functioning but with the almost minimal difference of 20 percent.

B. A similar process has occurred also regarding the assessment of the government's handling of the economic sphere. The gap between those who evaluate this handling negatively and those who evaluate it positively mark has largely decreased over the last few months. However, it seems that despite the achievements public opinion attributes to the finance minister, the economic sphere is still seen by the general public as the government's most outstanding weakness. In contrast with 18.3 percent who gave the government a positive mark for this in April, 50.1 percent gave it a negative mark.

Still, other data of the poll indicate an interesting and not an unusual phenomenon: it transpires that a considerable number of those who reject the government's handling of the economic sphere do not rush to prefer the alignment in this sphere. In answer to a question--"Who in your opinion can better solve the economic problems of the country--the alignment or the Likud?"--47.3 percent of those polled said the alignment, 34.8 percent to the Likud and 17.9 percent refrained from answering.

CSO: 4805/197

STATE GUARANTEES SOUGHT FOR LOANS IN THE TERRITORIES

TAO 8941 Jerusalem POST in English 5 May 81 p 2

[Report by economic correspondent Reizim Ma'oz: "State Guarantees Sought for Administered Areas Loans"]

[Text] In an attempt to reduce the dependence of residents of the administered territories on loans from abroad, the treasury has requested that loans made to them from Israeli banks be backed up by government guarantees. In cases where the loan is not repaid for "political reasons," the full amount of the loan will be guaranteed.

The treasury took this step at the urging of the military government, which has been concerned at the growing dependence of residents of the territories on financial aid from abroad. Especially harmful in their view was the political and economic influence by the PLO through this aid, which was eight times larger last year than the development funds provided by the government for the territories.

The treasury's request, for guarantees totalling 40 million Israeli shekels, must be approved by the Knesset Finance Committee.

According to the proposal, loans not repaid for "financial reasons" will be guaranteed for 50 percent of the sum.

Loans up to 10,000 shekels may be backed by the guarantee if the lending institution simply informs the treasury and the military government while loans up to 250,000 shekels will require their recommendation. Loans up to 500,000 shekels will require the approval of the accountant-general.

The military government views the guarantees as a partial substitute for the underdeveloped banking system in the territories. An infusion of Israeli funds will also help stem the economic slowdown that has hit the territories in the last three years.

CSO: 4829/322

COMMERCIAL RELATIONS WITH SOUTH AFRICA INCREASES

TA031408 Tel Aviv MA'ARIV in Hebrew 3 May 81 p 8

[Report by Shiraga Maqel: "Israel Is Advancing Its Economic Ties With South Africa"]

[Text] In July Israel will begin to sell bonds in South Africa. An Israeli economic delegation that recently spent some time in Pretoria agreed on the details of the sales and, while there, achieved several concessions which enhanced the appeal of purchasing the bonds.

To date South Africa had not permitted the sale of bonds in its territory. The Israeli sale of bonds will total 20 million rand (about \$25 million) for 3 years. The bonds will also be permitted to be sold to companies who will register this as an investment, not only to private individuals, and this will permit early payment of the bonds in the event of investing the returns in Israel.

It was also agreed that South Africa would permit its citizens to invest 45 million rand (\$55 million) in Israel in industry, tourism, science and development, construction for rental and oil exploration.

South Africa will renew its credit lines for the financing of imports to Israel at a total of 50 million rand on preferential credit terms for 3 years and after that additional credit will be awarded for imports at a total of 75 million rand.

Israel submitted various requests to South Africa to increase the ceiling on the coal it will sell to Israel, to increase the ceiling on fishing, to provide benefits for contributions by citizens to the United Jewish Appeal, to lower the duty on imports from Israel and so on. The South Africans have not yet replied to these requests, but it has been agreed that the request dealing with the duty on steel pipes and PVC sheets from Israel will be examined.

South Africa has requested permission to export fruit and vegetables to Israel and decreased duty on textiles.

CSO: 5805/197

AGRICULTURE EXPERT MEETS AL-SADAT

IAJ20859 Jerusalem POST in English 21 Apr 61 p 3

[Report by Yitzhak 'Oged: "Israeli Agriculture Expert Meets With Al-Sadat in Cairo"]

[Text] Professor Shmuel Pohoryles, director of the Agriculture Ministry's Agricultural Planning and Development Centre, met in Cairo yesterday with Egyptian President Anwar al-Sadat.

Al-Sadat had requested the meeting, to learn about agricultural cooperation between Israel and Egypt. Pohoryles visited Egypt last week at the head of a delegation of Agriculture Ministry officials. At the end of the visit the Egyptians and Israelis signed agreements on agricultural projects to be carried out in Egypt.

The major project agreed on was the establishment of an experimental farm about 1,000 kilometres north of Cairo. The farm, which will serve 25 villages, will be financed by the U.S. Government.

Last week's visit by the Israeli delegation came following Egyptian Agriculture Minister Mahmud Da'ud's visit to Israel about four months ago.

During their stay the Israelis were invited to the wedding of Da'ud's daughter, where Pohoryles was introduced to Al-Sadat. Al-Sadat showed a keen interest in the cooperation and projects planned in agriculture, and asked to meet with Pohoryles for a longer talk in the near future.

Pohoryles, who had returned to Israel with the delegation on Friday, was urgently called back to Cairo yesterday to meet with Al-Sadat.

Other areas of cooperation between the two countries will be in plant protection, veterinary problems, agriculture in arid zones and the sale of agricultural equipment in Egypt. Another agreement reached concerned the exchange of technological knowledge and an increase in visits by scientists.

CSO: 4805/197

BRIEFS

PLO-JORDANIAN COMMITTEE AID--The joint PLO-Jordanian committee has conditioned all aid to industrial plants in the territories on noncooperation with Israel. Our correspondent Pinhas 'Inbari reports that in the committee's last meeting, before the PLO's conference in Damascus, it was decided to allocate large sums for such aid. About five large plants which later appealed to the committee for aid were asked whether they had received loans from Israel and whether they have any contacts with Israeli banks. It also became clear to the plants' owners that Jordan prefers to help plants established before the 6-Day War. Our correspondent notes that to date no industrial plant in the territories has received aid from the joint committee but it was reported that the committee is now preparing a list of recommended plants. Last week large sums of money reached the transportation companies in the territories.
[Text] [TA041342 Jerusalem Domestic Service in Hebrew 1300 GMT 4 May 81]

UNEMPLOYMENT FIGURES--In March 36,483 people looked for work in employment offices (800 more than in February), of whom 22,780 were men and 13,703 were women. Of these, 21,901 were nonprofessionals. This was reported in the conclusions of the employment services's Department of Statistics. In March the number of work vacancies totaled 19,226, an increase of 2,169 in comparison with February. The increase in the demand for workers was mainly in the field of nonprofessionals: 12,947. Of the vacancies for workers, 16,464 were filled. Of these, 13,999 were filled by people from Israel and 2,465 by workers from the territories, including 2,153 vacancies for nonprofessional workers. Of all the people looking for work, 17,063 were unemployed for 6 days or more in March. Some 3,342 of them were women. Of the unemployed for 6 days or more, 8,046 were nonprofessionals. In March, 13,457 permits to receive unemployment pay were issued, and these included 1,145 permits for academics seeking employment. Of these who received the permits in March, 4,516 received them for the first time. A total of 4,619 permits were given to women, including 491 academics.
[Text] [TA031052 Tel Aviv HA'ARETZ in Hebrew 3 May 81 p 4]

APRIL IMMIGRATION STATISTICS--This April, 828 new immigrants arrived in Israel--a 11.5-percent drop compared with the month before. Some 217 came from Eastern Europe and of these 153 came from the Soviet Union; 119 people came from North America, 71 from Asia, 63 from Africa, 119 from South America and 20 from
[Text] [TA031052 Tel Aviv HA'ARETZ in Hebrew 3 May 81 p 4]

MONEY ABSORPTION IN MAY--in the course of April the government absorbed from the public 187 million shekels, contrary to all initial forecasts. The purchase of government-linked bonds amounted to nearly 1.5 million shekels. There was also a rise in income tax collection. [Tel Aviv HA'ARETZ in Hebrew 4 May 81 p 3 TA]

TAX REVENUES--Import tax revenues reached 778 million shekels in April. This is four times as much as in April 1980, the treasury reported. The tax on expenses involved in production and sales brought in 1,761 million shekels, more than four times the collection in April 1980. The value-added tax collection reached 1,465 million shekels this April, compared to 286 million last April. Thus, the latest increase was more than five times that of the same month last year. The overall collection made by the customs duties department reached 2.5 billion shekels this April, compared to 625 million shekels last April--four times as much. In March 1981 the department collected 2.2 billion shekels, and this April 2.5 billion shekels were collected, compared to 1.2 billion last April. This is an increase of 128 percent. [Text] [TA062040 Tel Aviv HA'ARETZ in Hebrew 6 May 81 p 3 TA]

APRIL UNEMPLOYMENT--The number of recipients of unemployment allowance grew by 8 percent in April and reached 14,575, compared to 13,457 in March. The number of people unemployed for 6 days or more went down from 17,250 in March to 14,250 in April. Of the recipients of certificates qualifying them to receive the unemployment statistics, there were 1,026 academics, compared to 1,145 in March. Other findings show that there has been an improvement in the unemployment situation. The number of people seeking jobs decreased this April by 3,100 and reached 31,250. The number of job openings also declined by 3,050 and reached 14,200 compared to 19,250 in March. The director general of the employment service, Barukh Haqlay, said that this cannot be taken as having any special significance because it stems from the fact that this was a holiday period during which both job seekers and job openings were postponed. [Text] [Tel Aviv HA'ARETZ in Hebrew 6 May 81 p 10 TA]

CSO: 4805/197

ISLAMIC BLOC ADVISED ON CONSTRUCTIVE FUTURE ROLE

Kuwait AL-WATAN in Arabic 1 Mar 81 pp 1-9

[Commentary by Dr 'Abdallah Fahd al-Nufaysi]

[Text] After winning the National Assembly elections, the Islamic bloc members have entered an unenviable historical test. Those who know them well and know how strong their devotion to God's religion on earth is realize this fact. Their participation in the elections as a bloc through alliance with some traditional forces in the country means that they have openly entered the arena of local political action. Whoever takes such a move should crystallize his political, social and economic vision, since that is what people will ask for. Those who take part in any political action should have well defined and clear concepts based not only on sound judgment, scientific reasoning and historical analysis, but also on readiness for direct political action and for strong influence on the course of events. Whoever possesses well defined and clear concepts, whatever they are, can succeed in the world of politics; he who does not will be like someone trying to swim in the sea without using his arms: he will soon be tired and will give up.

Upon the announcement of the results elections, it was said that the National Assembly had "no spice," to quote Abu Sayyah (Syrian comedian). The National Assembly is the only party which can either confirm or refute this allegation. Anyway, through their role in the Assembly, the Islamic bloc members will be able to address themselves to this allegation, whether positively or negatively. The opportunity given to the Islamic bloc today--maybe for another 4 years--should not be wasted vainly. There are things which should be benefited from and things which should be avoided. The opportunity for benefit lies in the possibilities made available to them gaining political values formulated and shaped by political experience, through personal and direct contact with cabinet members and members of the Assembly and through direct familiarization with the nature and mechanism of political alliances which may occur inside the Assembly. These matters are new to the Islamic bloc members, who have never experienced them.

Care must be taken to avoid being drawn--even unintentionally--into factional squabbles, no matter what circumstances arise to cause such fights; by that we mean of factionalism and sectarianism, specifically. This small house cannot cope with what is beyond its capacity. There should also be caution against isolation and thinking that [the assemblymen] are infallible; who consults with the people can not go wrong. There should be caution, moreover, against neglecting popular

demands, which should be taken into consideration throughout all the stages of political action, and underestimating other popular forces and their capacity to organize in political movements.

At any rate, when the Islamic bloc members stand on the Assembly platform, they should keep their preaching to a minimum and realize that political, social and economic institutions in our world will not be reformed by preachers. They should also remember that God has sent his prophets and sacred books throughout human history in order to achieve one aim: justice among people. "Indeed sent We our apostles with clear signs, and sent we down with them the Book and the scale that people may establish themselves in justice--Al-Hadid, verse 25." (Koranic verse). Since justice among people, all people in spite of their different names and banners, occupies this central place in God's religion, the Islamic bloc members should lead those who fight for public rights and the restoration of these rights to their possessors and should encourage government officials to work in this direction, in order for Kuwait to become a country in which just standards prevail and are never neglected. The establishment of just standards in Kuwait--on all levels--means the strengthening of organic, structural and institutional unity of Kuwaiti society. The lack of just standards is an open invitation to bribery, corruption, influence peddling, boot-licking, hypocrisy and chaotic and radical tendencies. We do not want that for this nation.

9826

CSO: 4802/574

ACTIONS TAKEN AGAINST ILLEGAL ALIENS

Kuwait KUWAIT TIMES in English 19 Apr 81 p 1

[Text]

A SPECIAL investigation squad has been set up to deal with the present crime wave in the country, according to Interior Minister Sheikh Nawaf Al Ahmad.

The country witnessed 19 cases of molestation and three kidnaps recently. Culprits in 10 cases could not be traced down so far, the minister said.

Hawalli governorate accounted for most of the crimes — 10 molestations and two kidnaps — Sheikh Nawaf said. Other crimes were reported from Kuwait city, Ahmadi and Al Jahra.

The minister emphasized that the current drive against illegal residents would continue and a security plan would soon be implemented to ensure law and order.

UNTRUE

Sheikh Nawaf dismissed calm among certain quarters that the influx of migrant labour was behind the rise in crime rates. "Kuwait will always receive with open arms and heart every honest expatriate devoted to the service of the nation. There shall be no undue restriction on foreigners seeking a decent livelihood in the country," he said.

Sheikh Nawaf denied that his ministry yields to approaches to release suspects in police custody and said "these reports are untrue. The ministry can never show mercy with any person disturbing peace and security."

Interior Ministry would show no leniency in hunting down criminals and saboteurs, the minister said.

He added that police patrols had been stepped up in various parts of the country and that they were being assisted by plain-clothes security men. He appealed to people and expatriates not to pay heed to rumours.

Referring to the case of breaking into houses in Rawdha and Qadesiyah the Minister revealed for the first time that the suspect had used an anaesthetic material called "Chloro-benzene" with which he managed to knock an old woman unconscious in Rawdha. The suspect later darted to her daughter's room and applied the anaesthetic on her with the intention of raping her. The same modus operandi was adopted in Qadesiyah where the suspect raped a house-maid, he said.

Following the reports of the crimes, he said, police prowled the two districts round the clock until the suspect was caught.

CSO: 4820/371

ASSEMBLY RATIFIES LAWS RETROACTIVELY

Kuwait ARAB TIMES in English 15 Apr 81 p 1

[Text]

KUWAIT, April 14 The National Assembly today ratified the first batch of the 460 laws which the Government had promulgated through Amiri Decrees between August 1976 to February 1981 — the period that the National Assembly had remained suspended.

The important laws among the group included the Social Security Act, the Civil Service Council Ordinance, and others relating to real estate, traffic, the army and the police forces.

Some Deputies tried to raise a debate on each of these laws before passage, but other Deputies and also the Government opposed the move saying it will all be a waste of time because none of these laws could be amended as they are already in operation for some years.

The Government view prevailed that the parliamentary system of draft law consideration, passage and also subsequent amendment if necessary, would be applied only in the case of the new laws.

Settlement

In the course of a discussion on complaints by taxi drivers against the traffic police, Interior Minister Sheikh Nawaf Al Ahmed informed the House that he will be meeting with the drivers to discuss their grievances. He expressed the hope that a satisfactory settlement will be reached.

Replying to a demand on the granting of First Nationality status to members of the Army and the Police Forces, the Defence and Justice Ministers both said that the Nationality Law is a general act that applies to all. Any such special status cannot be backdated, they maintained.

During the subsequent general debate today, there were remarks by several Deputies complaining that some newspapers had reported their remarks in the last session wrongly. The Justice Minister said he had himself been wrongly quoted by the members and also the press.

The House then debated at length the complaints and observations of the Deputies before adjourning till next Tuesday.

C/O: 4870/371

CHANGES IN POLICE SYSTEM SUGGESTED

KUWAIT TIMES (a) (a) 9 Apr 81 p 12

[Text]

The authorities are currently studying a plan to reorganise the police system which has seen no change for the past six years, said Brig Gen Yousef Al Saad, Director of the Police Administration.

Speaking at a press conference yesterday to mark the Arab Police Day, Al Saad said it had been found necessary to amend certain police regulations in the light of modern developments.

He also hinted at the re-organised work of the police in Gulf and Arab countries, and the independence and international relations which would be achieved through the Arab Defence Organisation (ADO) which linked the police system of many countries.

SIMILAR

The SDO in Syria, Iraq and Morocco, he said, were similar to Interpol but worked on a regional level.

Al Saad added that Arab Police Day was agreed upon by the leaders of Arab police during their 1978 conference in Damascus.

He also referred to the important role played by the police and the cooperation and coordination fostered between them and the public.

0000 0810/371

ECONOMIC GROWTH IN 1980 DETAILED

Kuwait KUWAIT TIMES in English 20 Apr 81 p 1

[Text]

INDUSTRIAL investment in Kuwait increased by 70 per cent, according to the annual report of the Chamber of Commerce and Industry released yesterday.

Imports increased by 20 per cent over 1979 while the surplus of the country's trade balance is likely to drop this year, the report added.

The overall economy is steadily progressive while additional oil revenues provided new opportunities for a stronger economic structure.

Compared to previous years, 1979-1980 was an era of real economic growth, the report compiled by the Chamber's President Abdel Aziz Al Saqr said.

It said the achievements of Kuwait's non-oil sectors compensated for lost revenues when the state resolved to cut down crude production last year.

OIL

Kuwait's oil sector witnessed important developments in 1980 topped by the decision to reduce crude production. One important event was the creation of Kuwait Petroleum Organisation which comprised the three major dealers in oil and by-products.

The formation of KD 100 million Kuwait International Petroleum Investment Company was also remarkable, the report said.

Public spending in 1980-81 will increase by 30 per cent including additional allocations to Kuwait Fund for Arab Economic Development (KFAED), the Credit Bank and Kuwait Airways Corporation.

In the banking sector, the government, through the Central Bank, adopted new policies to lessen problems of liquidity, the Chamber's report said.

Pending the release of official figures, the report quoting the Central Bank, estimated Kuwait's oil revenue during the period Jan-March 1980 as KD. 146 million.

PRODUCTION

Compared to the three previous months, Oct.-Dec. 1979, the figure shows a 1.2 per cent decrease, it added.

The report estimated total oil exports in 1980 as KD. 5,470 million indicating a 14 per cent over the previous year.

Non-oil exports during the first half of the year were shown in the report as approximately KD. 200 million indicating a 33 per cent increase over the same period in 1979.

The industrial sector continued to expand and some KD 40 million will be poured into newly approved projects, the report said.

Thirty one new industrial establishments started production in 1980 mainly in fields of construction material, electric equipment and refrigeration.

Banking facilities for the industrial sector increased by over 76 per cent in 1980 reaching to KD 158 million, the report said.

Kuna

JOINT PETROLEUM CENTER IN SINGAPORE PLANNED

Kuwait KUWAIT TIMES in English 17 Apr 81 p 2

[Text]

SINGAPORE, Thurs. — The proposed International Petroleum centre to be built in Jurong industrial estate here is expected to cost in the region of \$1 billion, observers said yesterday.

Judging from an artist's impression of the proposed centre which was displayed at the signing ceremony of the joint venture agreement between Kuwait Real Estate Investment Company and Jurong Town Corporation the centre will have a 40-storey core with three tower blocks of office accommodation.

The new company to study the feasibility of developing the centre is similar to the Kellogg Foundation in Houston, Texas.

CONSTRUCTION

The centre is landscaped to blend with the neighbouring surrounding of Jurong Lake and Country Club.

An 18-hectare site has been reserved for the complex but it has been learnt that another 22 hectares will be allocated for if needed.

Jurong Town Corporation has done a lot of ground work regarding the building of the proposed centre and

the feasibility study is expected to be completed by the end of the year. Although no consultants have been engaged to carry out the feasibility study.

The chairman of JTC, Tang Fang, who signed the accord on behalf of JTC, gave the impression that construction of the project will start soon.

He said: "To start with, the joint venture company, IPC, will construct a major commercial - cum - engineering complex to serve as international and a regional headquarters for companies which are engaged in petroleum production, petroleum trading, engineering and construction, computer and related shipping and financial services."

Tang added: "With such a complete and integrated professional complex Jurong will be able to serve even more effectively various international and regional development projects in the future."

However, the chairman of the KREIC, Ahmad Ali Al-Duaij, who has been appointed chairman of the joint venture company, cleared the air when he spoke to reporters after the signing ceremony.

He said that the joint venture company has been set up to study the feasibility of developing an international

petroleum centre. Reports of the construction of the centre and the amount mentioned were mere guess works by reporters.

POSITIVE

Ahmad Al-Duaij said. "KREIC and JTC will join hands together and share the cost for establishing the feasibility of such a major project."

"We both have a positive attitude towards the centre as proposed but felt it was better to establish a fair round for the project before we proceed for its development," he added.

He pointed out that if the study was fairly established, they would go ahead with the project by raising the capital to whatever cost required.

But, if on the other hand, the project is not feasible they will restrict the expenditure to the small amount required for the study of the project.

— Kuna

BRIEFS

NEW PETROCHEMICAL PLANT--The chairman of the board of directors and deputy member of the Kuwait Chemical Industries Co., Engineer Khalid Ibrahim al-Fasam, said yesterday that his company will begin the construction of a chemical materials plant during 1981. He said that a contract had recently been signed with the Dutch firm (Stors), which is one of the DSM Co.'s subsidiary companies. It is considered to be one of the largest Dutch companies in the field of petrochemical industries. The contract licenses the Kuwaiti company to manufacture chemical materials under the trade name of the Dutch company, and according to the contract the Dutch company will furnish the necessary technical assistance to set up this industry and will furnish such assistance for a period of 10 years. The plant, which is to be built in Mina' 'Abdallah, will produce chemical products such as alkyd plastics, Polyvinyl Acetate, and unsaturated polyester, and the production capacity will be 16,500 metric tons per year. These chemical materials will constitute basic materials for the manufacture of dyes, adhesive materials, and fiber glass. He mentioned that this enterprise, which will occupy an area of 25,000 square meters, is considered to be the first petrochemical enterprise which the company will establish for the production of semi-finished materials, and it will be one of the foundations of Kuwait's petrochemical industries. The enterprise will use some of the petroleum derivatives produced locally, and will increase its utilization of these materials as the number of petrochemical projects increases in Kuwait. He said that this enterprise will cover Kuwait's, as well as the Gulf's, requirements for the above mentioned chemical materials. He indicated that bids have been invited from international firms concerning the construction of the plant. This plant will be the first plant in the region which produces three chemical materials all at the same place. It is expected that production will begin in the latter part of 1982. (Kuwaiti News Agency). [Text] [Kuwait AL-QABAS in Arabic 1 Jan 81 p 3] 9468

ELECTRIC POWER PLANS--As the year 1980 drew to a close, the various government ministers vied with each other in presenting their most important achievements during that year, and they determined their projects for the new year. One of the most prominent projects of the Ministry of Electricity is the Western Doha power plant project which includes 8 units, with the capacity of each one being 300 MW. It is expected that the first unit in this power plant will begin its production in 1982. There are also projects for the intensification of the electric power distribution system of various voltages. During the course of last year construction began on 750 power distribution substations. It is expected that these substations will be completed and will have both aboveground and underground cable systems and various

voltages. During the new year a contract agreement will be reached concerning the importation and installation of 250 transformer substations as well as 22 new main transformer stations. As for projects concerning the intensification of the power distribution system of high voltages, a contract agreement has been reached to construct four main transformer stations with a voltage of 300/132 kV, and they will be located in al-Salimiyah, al-Jabiriyah, al-Fintas, and 'Umariyah. They will have both underground and aboveground power lines. It is expected that they will be completed during the coming fiscal year. Furthermore, the ministry intends to contract for the construction of a new transformer station with a voltage of 300/132/33 kV in al-Shu'aybah, and this [contract] will include the costs of above ground power lines, underground power lines, and the necessary civil engineering works to be done in conjunction with this project. It is expected that the station will be completed during the summer of 1983. [Text] [Kuwait AL-QABAS in Arabic 3 Jan 81 p 2] 9468

ARAB LOANS TO OMAN--The Arab Fund for Economic and Social Development [AFESD] will furnish a loan to the Sultanate of Oman in accordance with a loan agreement which was signed yesterday at the AFESD headquarters. The amount of the loan is 3 million Kuwaiti dinars, and it is to help finance a natural gas pipeline project called "Marirat Suhar." The loan agreement was signed by the charge d'affaires of the Omani Embassy in Kuwait, Mr 'Ali al-Musawi, and by the director-general and chairman of the board of AFESD, Dr Muhammad al-'Imadi. A press release from the AFESD has announced that the aim of the project is to enable Oman to exploit the natural gas extracted from the Yibal gas field. This natural gas will be used for electric power production, various industrial uses, and in order to enable Oman to both conserve and export oil. The press bulletin stated that the total cost of the project is estimated at about 10.78 million Kuwaiti dinars, with about 8.99 million dinars being in foreign currencies and the rest being in the local currency. The press bulletin added that the AFESD loan will cover about 28 percent of the total costs of the project and about 33 percent of its costs in terms of foreign currencies. The Kuwaiti Fund for Arab Economic Development [KFAED] will contribute toward the financing of the project by providing a loan amounting to 4 million dinars. According to the bulletin, the Abu Dhabi Economic Development Fund is expected to contribute to this project the surplus which it has available from the revenue obtained from a previous loan, the amount of which is 1.25 million dinars. The government of the Sultanate of Oman will undertake to finance the remaining costs which are estimated at about 2.53 million dinars, and will also finance any unexpected increases in costs. The AFESD loan will have an annual interest rate of 6 percent, and will be repaid during the course of 15 years. This 15-year period will include a 3-year period of grace. The AFESD expects this project to be completed during the third quarter of next year. [Text] [Kuwait AL-QABAS in Arabic 1 Jan 81 p 13] 9468

OFFSHORE OIL EXPLORATION--The head of the Bahrain National Petroleum Co., Engineer Hasan Fakhru, said that Bahrain, during the first half of this year, will begin the operation of making a survey of offshore lands in its territorial waters, and that this is in preparation for operations of drilling for oil which will take place next year. A special agreement concerning this has been reached with the Kuwait Petroleum Co. In his statement, which was published by the Bahraini newspaper AKHBAR AL-KHALIJ, he added that the Supreme Council for Petroleum in Bahrain agreed to the implementation of the project after initial data indicated that there was a good probability that

these areas contained oil. He said that the survey operation will cost the government 6 million Bahraini dinars (about \$17 million), and that the operation had been assigned to an international firm which specializes in doing seismic surveys. He indicated that Bahrain had decided to undertake this (thorough and comprehensive) seismic survey after an agreement had been reached between the Bahrain Petroleum Co. and the Kuwait Petroleum Co. He said that the objective of the survey was to "confirm the existence of geological formations which are appropriate for oil exploration." [Text] [Kuwait AL-QABAS in Arabic 3 Jan 81 p 13] 9468

INVESTMENT GAINS IN 1980--The chairman of the board of directors and deputy member of the Kuwait Financing Co., Mr Ahmad Baki' al-Yasin, yesterday announced that the Kuwait Financing Co. earned net profits of 11,600,000 Kuwaiti dinars in 1980 as compared with 3,400,000 dinars of net profits earned in 1979. He said that the Kuwait Financing Co.'s net profits were approximately 3 and 1/2 times as much in 1980. Also, there was a record number of accounts held by clients of the Kuwait Financing Co. The number of accounts in 1980 was 45,000 as compared with 20,000 accounts in 1979. Mr al-Yasin added that the Kuwait Financing Co., on 15 February 1981, will begin distributing investment deposit and investment savings dividends, and that they will be distributed as follows: 1. permanent unlimited investment deposits - 10 and 1/8 percent; 2. one-year investment deposits - 9 percent; and 3. unlimited savings deposits - 6 and 3/4 percent. Mr al-Yasin mentioned that the Kuwait Financing Co.'s assets increased to more than 100 million Kuwaiti dinars in 1980. He indicated that on 15 January of this year a branch of the Kuwait Financing Co. will be opened in al-Farwaniyah. He told the Kuwaiti News Agency that he will be participating in an international symposium concerning the topic "the monetary and financial economics of Islam," which will be organized by the Planning Division of the Pakistani government in cooperation with 'Abd al-'Aziz University in Jeddah. The symposium will be held in Islamabad from 6 January till 10 January of this year. [Text] [Kuwait AL-QABAS in Arabic 5 Jan 81 p 15] 9468

TRANSPORTATION AGREEMENT WITH ROMANIA--Saidid Mohammad al-Khalili, director of Transportation Affairs at the Ministry of Communications, said yesterday that talks by a Kuwaiti delegation in Bucharest have resulted in signing an international land transport agreement on goods and passengers between Kuwait and Romania. He said that the agreement aims at facilitating customs clearance and exempting motor vehicles in both countries from customs fees, transit fees and any other fees required inside each country's territory. The agreement also stipulates that there will be no transportation taxes imposed on registered transport vehicles and that taxiers belonging to either party are forbidden from carrying out local transportation operations inside the other country. Agreement has also been reached on limits of commodities borrowed by the two countries. The Kuwaiti delegation, headed by Mr al-Khalili, had held talks in Bucharest in this regard last month. [Text] [Kuwait AL-QABAS in Arabic 2 Mar 81 p 13] 9826

BUDGET FIGURES REPORTED--Kuwait, 4 May (KUNA)--Quoting sources described as reliable, the AL-RA'Y AL-'AM newspaper reports today that the general budget for the fiscal year starting in July amounts to 3 billion Kuwaiti dinars--equivalent to about \$11.1 billion. This, the paper adds, represents an increase of 75 million Kuwaiti dinars, equivalent to \$277 million over the current budget. The paper, however, does not reveal any other figures. According to the paper, "a large" percentage of the budget allocations has been earmarked for construction projects. It adds that the budget for defense has been "considerably increased in view of Kuwait's desire to continue to develop its armed forces." The cabinet approved the new budget bill yesterday in preparation for submission to the national assembly for approval. Oil revenues represented 97 percent of Kuwait's general income in the current year which was estimated at 4.64 billion dinars, equivalent to about \$17.3 billion. [Text] [LD040832 Kuwait KUNA in Arabic 0705 GMT 4 May 81]

NEW ROAD--Minister of Public Works Abdullah Al Dekhil Al Resheid yesterday inaugurated a new trunk road 'Al Safar' which extends from Al Magrah street, to Al Ahmadi. Work on this KD 26-million highway took 1743 days. The highway is a two-way track with eight fly-overs in Meshrif, Sixth Ring road, Meshallah, Fintas, western Fintas, Rekka, Sabahia and Ahmadi. The inauguration ceremony was attended by Italy's ambassador in Kuwait, Director of the Traffic Department Fuad Nassad Al Saleh and a number of traffic officers and heads of departments at the Public Works Ministry. The new road has eight lanes, four on each side, and is built according to modern designs. [Text] [Kuwait KUWAIT TIMES in English 9 Apr 81 p 12]

ITALIAN BANK DEAL--London, Fri.--The Artoc Bank and Trust Group, a largely Kuwaiti-owned international merchant bank, has linked up with Italy's largest private banking concern, Banco Ambrosiano. The new arrangement is giving the Artoc Bank, which is based in Nassau, the Bahamas, an important new impetus in the international banking business. It is also believed to be one of the biggest ventures of its kind between Middle Eastern and Western private banking groups. The new shareholding arrangement takes place through Banco Ambrosiano becoming a 20 per cent shareholder in Artoc. At the same time, Artoc has boosted its paid-up capital to 20 million from \$10 million. "This new shareholding relationship will further develop Artoc's role in acting as an important trade and investment bridge between the Middle East and Western Europe," Artoc officials told Kuna here on Wednesday. One of the first ventures, resulting from the new relationship, is expected to be a joint branch for the two banks in Bahrain, probably to be opened later this year they said. Artoc covers a wide range of activities, including trade financing. It also specialises in letters of credit for the financing of oil and oil equipment. Its trust division handles Middle East clients' funds for investment worldwide. One of Artoc's latest ventures is in helping to finance a sky-scraper condominium block in New York, considered one of the highest Arab commercial real estate deals so far in the US. The Banco Ambrosiano group has a wide range of interests, including other banks and insurance concerns. It has assets of more than \$20 billion equivalent. Fina. [Text] [Kuwait KUWAIT TIMES in English 11 Apr 81 p 1]

CITIZENSHIP APPLICATIONS INCREASE--The number of applications seeking Kuwaiti citizenship has risen to 23,000--12,000 from desert inhabitants and the rest from Arab passport holders, according to reports yesterday. The Kuwaiti Interior Ministry had given a fast office in four Kuwait provinces out four months later

the ministry found one office at Hawalli to be sufficient. The government had allowed a one-year period to submit applications for Kuwaiti citizenship.--GNA. [Text] [Kuwait KUWAIT TIMES in English 12 Apr 81 p 1]

CABLE CONTRACT WITH UK--London, Wed.--The BICC, the big British cables and engineering group, has won a contract worth 17 million pounds sterling (\$37 million) to supply 210 kilometres of super-tension cable to Kuwait. The 132,000 volt oil-filled cable, ordered by the Ministry of Electricity and Water, will be used to carry electricity, and is due to be fully installed by the BICC by March 1983. This latest contract follows a similar order worth 7 million pounds sterling (\$15.4 million) for power cables placed by Kuwait with BICC in October 1980.--KUNA. [Text] [Kuwait KUWAIT TIMES in English 9 Apr 81 p 2]

EAST ASIAN INVESTMENT--Kuwait, April 14 (KUNA)--A newly formed Kuwaiti Bank will provide opportunities for Arab investors in East Asian markets, a report said Tuesday. The 30-million dollar Kuwait-Asia Bank will operate from Bahrain as an off-shore unit with a number of leading Kuwaiti business concerns taking part. The bank will facilitate for Kuwaiti investors in particular and Arabs in general to venture into joint investment project in Asia. Kuwait-Asia Bank will shortly open in Singapore and Hong Kong and will have representation in Tokyo next year. It will later open in Australia, South Korea, Malaysia and Indonesia, the report added. Leading participants in the project include the International Investment Company, the Social Security Organisation, Kuwait Commercial Bank and Al-Ahli Bank. The Industrial Bank of Kuwait, the Real Estate Bank, Gulf, Kuwait, National and Warra Insurance companies are also taking part in the project in addition to the National Bank of Bahrain and Kuwait-Bahrain Banks. [Text] [Kuwait ARAB TIMES in English 15 Apr 81 p 6]

LAGER COMPANY--Three major national companies are jointly introducing a new Kuwaiti company for marine transport, it was reported yesterday. The 10-million-dollar venture was approved by the Cabinet last week. Kuwait International Investment Company and Kuwait Oil Tankers are each taking a 40 per cent share in the new venture while the remaining 20 per cent will be held by Gulf Marine Transport Company. A spokesman for the venture, Abdullah Ahmed Al Ghabadi, said that the investment is a long-term one. The new company, known as Kuwait Marine Transport, will have effective participation in marine transport as the entire fleet of the operating United Arab Shipping Company does not lift more than eight per cent of imports into the Gulf, he added. The company will operate on international basis and will lift both solid and liquid cargo. "We will operate along with other Arab companies and not as competitors", Al Ghabadi said. The participation of Kuwait International Investment Company in the new venture was viewed here as a new type of investment, a local newspaper said today. KIOC, which was concentrating its activities in domestic real estate and the money market, is now taking a new direction, "Al Beyassah" newspaper added.--KUNA. [Text] [Kuwait KUWAIT TIMES in English 14 Apr 81 p 2]

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CAUSES OF ISLAMIC GROUPING'S WEAKNESSES DISCUSSED

Kuwait AL-NATASH in Arabic 10 Mar 81 p 11

[Article: "Is Islamic Grouping Proceeding on Path of Division; Rashid Karami Warns al-Mazzan and Sa'ib Salam Threatens to Leave Grouping; Members Divided Among Political and Parliamentary Blocs and Deputies Demand That Recalculations Be Made"]

[Text] A few days ago, ex-Prime Minister Sa'ib Salam asserted confidentially to his close associates that the Islamic Grouping is living its last moments these days and that if ex-Prime Minister Rashid Karami persists in his anti-regime and anti-government line and in his attack that has been going on for more than a month, he [Salam] will find himself forced [to move] outside the framework of the Islamic Grouping which includes a number of traditional Muslim politicians.

These tendencies of ex-Prime Minister Salam have been leaked to some journalists who have been disseminating them, asserting that the broad front for which ex-Prime Minister Rashid Karami is working will be the legitimate heir to the Islamic Grouping which suffers from division in its political positions, as evidenced by the fact that ex-Prime Minister Rashid al-Saib has not attended the Grouping's meetings for a long time and that he, along with deputies Nazim al-Qadiri, Sulayman al-'Ali, Jaki al-Murshidi and others, formed the Sunni Deputies Grouping yesterday and launched the severest attack on the army organization decree issued by the present cabinet of al-Mazzan and which has exposed in a detailed study the grave faults in this decree--page which, the study says, will redestroy the army, considering that such confusion what had previously led to the army's collapse as a result of a factional and sectarian demoralization which was the cause of what afflicted the military establishment in 1976.

Salam Denies Attack

With this, however, some have speculated among the political circles, especially the radicalized ones, that what motivated ex-Prime Minister Sa'ib Salam to issue a statement denying what the journalists have disseminated regarding his inclinations, was the pressure which have followed the denial stress the exact opposite. While Sa'ib Salam -- who has been making efforts along the line of denying the charges -- made such a statement declaring his support for Prime Minister al-Mazzan. In the same statement, Salam made what was considered tantamount to a direct attack on the Sa'ib statements released by ex-Prime Minister Rashid

Karami. Salam said: "It is well known that I have never been reluctant to criticize the regime when I find a cause for criticism, and many are the causes that have urged us to make such criticism in recent years, the most important being the regime's failure to engage in adequate movement at the Arab and international levels to explain Lebanon's issue and to ask for the support of the friends on this issue." Salam added: "Therefore, it was natural that I was the first to encourage the regime's movement and step to participate in the Islamic summit in the venerable Mecca. If it is our duty to tell the wrongdoer you have done wrong, then we cannot but tell him 'well done' when he takes a good and beneficial step such as this step. It is on this premise that the speech of President Ilyas Sarkis to the said summit was based. The president spoke in the name of Lebanon, all of Lebanon, and said only a little of what the Lebanese say, some openly and some in whispers in their retreats, including those who are criticizing his service and are escalating their campaign against that speech."

Concerning al-Wazzan

After defending the president of the republic in this manner, Sa'ib Salam proceeded to defend the prime minister, saying: "Attacking the prime minister personally is a manner to which we are not accustomed and under the pretext of the traditional political approach, especially the current prime minister who doesn't deserve such an attack, is something that we do not approve because we call for supporting the prime minister in order to support the position of the head of the government." Answering a question on his position vis-a-vis the broad front, Salam declared: "What, clearly, is the purpose of this front, what are the principles on which such a front is established, what are the means of action to realize it and what are the elements it includes? We hear a lot about this front but without any definition or clarification regarding these points."

Nothing to Censor

This latest statement, some of whose positions we have quoted, reflects practically the reality of the days within the Islamic Grouping--days which have witnessed since Bashir Karami's return to Beirut, the capital. This is what actually charged the atmosphere between the Grouping leaders to the Grouping's latest meeting. In that meeting, attended by Shafiq al-Wazzan, Karami was able to defend from the Grouping a position against the government and the prime minister as "support" saying it is too late the mistake made by the president of the republic, in al-Sa'if's words, and the mistake made by the prime minister in approving the arm organization device in its existing form." Some have concluded from these "errors" or "mistakes" contained in the Grouping statement tantamount to an ultimatum to Prime Minister al-Wazzan to strip away his Islamic cover. Al-Wazzan has realized this and has begun to talk in his private meetings about his disinterest in government and his inclination to resign should the campaign against him persist. But the attack launched by Karami against the government and the regime swayed outside the framework of the Islamic Grouping. This attack reached its peak when Karami said "We live under the regime of the three heads," meaning Sarkis, al-Wazzan and Fu'ad Nassar, and when he said "We have condemned al-Sa'if's speech and all those who have approved or supported it." Karami has gone as far as saying that the Lebanese Front's praise of the government has provided the conclusive proof of the government's deviation from the

right path, adding: "For the sake of al-Wazzan himself, we would have preferred not to find the Lebanese Front leaders praising him under this particular circumstance because this praise has provided the conclusive proof that the march started recently is one that has deviated from the correct line, as we have already said."

In this atmosphere, Sa'ib Salam has found himself hastening to answer the positions declared by Rashid Karami especially since these positions have begun to bear practical fruits in the direction of applying the final touches to the broad national front which is certain to include, in addition to Rashid Karami and Engineer Malik Salam, the Lebanese National Front, the political leadership of Zgharta-al-Zawiyah and many of the parliamentary and political figures and forces.

Fate of Grouping

On the day when ex-Prime Minister Sa'ib Salam was making his statement in defense of the regime and the government, the Phalangist Al-'AMAL paper came out with an analysis describing the voices carrying out the campaign against the regime's positions as mere "microphones" conveying the voices of others. As for the source of these voices, it is Damascus and Sabra Camp, meaning Syria and the Palestinian resistance. Complementing this analysis, Pierre al-Jumayyil has said: "The clamor created over al-Wazzan's positions hides behind the curtain of the Islamic street. It is an alien clamor reflecting an intruding will and a reality opposed to the will, feeling and belief of the Lebanese. This is something that neither we nor the Muslims can accept."

It seems that the fate of the Islamic Grouping is being polarized by two main axes: The axis of ex-Prime Minister Rashid Karami and of ex-minister Engineer Malik Salam and the axis of ex-Prime Minister Sa'ib Salam, along with a number of the Grouping members. On the other hand, there are other members who do not want to take a position in this fray, especially since the adoption of open positions on such sensitive issues as the ones being experienced by Lebanon at present may lead to depriving them of their political aspirations should the winds blow in the direction of ousting Prime Minister al-Wazzan's cabinet from the government house. The fact is that the storm being experienced by the Islamic Grouping is not the first of its kind insofar as the Grouping is concerned. The Grouping, formed in 1976, suffers from an undeniable duality of forces and positions, even on the part of its leaders. This is what ex-Prime Minister Taqi-al-Din al-Sulh described as "flexibility," considering that the Grouping is not a political party. The nature of the Grouping's structure enables the Grouping to withstand conflicts. However, the Grouping is not even a group of parties. Therefore, freedom is available and guaranteed to all. The Grouping's constituent declaration defines the Grouping's task and makes it a phased task. The constituent declaration defines the task of ending the Lebanese war and in establishing peace and security in all the Lebanese territories until the Lebanese forces (army) are able to restore them. The task includes, moreover, restoring the power and the resources of the state to revive and strengthening the state institutions, by eliminating corruption. It also includes the unity of Lebanon's soil and people within Lebanon's borders, by abolishing minorities and equal distribution among the various religious and ethnic groups, by implementing the Camp David agreement as to establish a united and democratic Middle East and the Palestinian resistance and by affirming the framework of the Grouping to include all the Muslim sects initially and then the rest of the Lebanese in a general national union.

Conflict in Positions

These are the tasks that the Islamic Grouping has undertaken. It is a matter of fact that none of these tasks has been accomplished, except for accession to the Grouping by the Front to Safeguard the South and for the convocation of meetings in the presence of this front and for taking positions, making statements and issuing declarations which have been kept for history. The reason for this is that the elements of polarization to which the Grouping was exposed motivated ex-Prime Minister Rashid Karami to abandon Beirut in 1978 and 1979 in expression of his resentment of the positions of some Grouping leaders. This conflict peaked when the Grouping failed to take a practical position toward the developments witnessed by the Arab area, beginning with al-Sadat's visit to Jerusalem and ending with the Camp David peace.

Certain circles of the Grouping expect the Grouping to return to the phase of weightlessness whereas other circles assert that each of the Grouping's members makes his calculations on the basis that the Grouping has become an "Islamic criterion" and that each member is trying to establish a foothold in an alternative political circle, such as the Independent Parliamentary Bloc, the grouping of nine deputies, the broad national front and other political forces and circles. Despite the conflicting opinions, it is certain that the Islamic Grouping is living these days *fractured* moments which may carry the grouping away, as they may carry away many of the calculations that continued to exist until the near past [sic].

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BASHIR AL-JUMAYYIL'S RELATION WITH MARONITE PATRIARCH STRAINED

Kuwait AL-WATAN in Arabic 15 Mar 81 p 11

[Article by Hamid Farah: "It Has Flared up Between Patriarch and Phalanges; Kharaysh Denounces 'Dynamism' of Those Hiding Behind Religion; Bashir Considers His Father and Son 'Red: Patriarch'"]

[Text] Beirut--Al-QURAN (15/3)--The relations between the Lebanese Maronite Church and the Phalange Party leadership, especially Bashir al-Jumayyil, are undergoing a silent crisis which has existed for some time and which is likely to (erupt) in the coming period.

Some sources that are well informed regarding the truth of the relationship between Maronite Patriarch Sirus Khuraysh and Bashir al-Jumayyil, the commander of the Phalangist militias, have interesting details on the escalating tension prevailing in the relationship of the two men. Recently, the matter has reached the point of the emergence of significant hints of the existing disagreement through the statements and speeches made by each of the two on various occasions.

Attack on Phalanges

On the last of the Jewish month of March, Patriarch Khuraysh left for the Vatican to meet with Pope John Paul II, the head of the Catholic Church, and to discuss with him issues concerning the Lebanese Maronite Church and the role that the Vatican can perform to help solve the Lebanese crisis.

On the eve of his departure, Patriarch Khuraysh addressed a message to the members of the Maronite Church on occasion of the beginning of Lent among the Catholics. The statement contained significant phrases indirectly criticizing and attacking the mass-outstanding violations committed by the Phalanges Party and its militias under the pretext of defending the Maronites and the Christians. Some of what the patriarch said in this respect is: "Religion has not escaped the corruption of those who have used it as a screen to realize ends and achieve goals that are far from the purity and chastity of religion." The patriarch added: "How can the political parties convince us that what they affirm to be their goal is man will not end up a war against man? Can they prove to us that they are more interested in absolute respect for man and his basic liberties than in their desire to retain or seize power?"

The patriarch focused in his message on talking about "conscience" and its importance in deterring man from committing crimes and abominable acts against others and wondered, with deep significance, how the conscience of "some" permits them to commit the crimes that we see in Lebanon under the pretext of defending religion and the sect?

Al-Jumayyil: Maronites Are Drop of Oil

Those who know the details of the silent crisis between Patriarch Khuraysh and Bashir al-Jumayyil say that all the significant words in the patriarch's message to the members of the Maronite sect in Lebanon are actually intended for the Phalangist Party leadership, particularly for Bashir al-Jumayyil who has recently gone too far in exerting heavy, and at times inappropriate, pressures on the patriarch to force him to declare a frank and open position in support of the Phalangist Party policy which seeks to impose Bashir's leadership on all the Maronites and Christians in Lebanon.

Only a few days had passed on broadcasting the patriarch's message containing an implicit attack on the Phalangist Party's policy and leadership when Bashir al-Jumayyil made an indirect and disrespectful reply to the message. This reply came in a speech delivered by the commander of the Phalangist militias in a ceremony to honor the delegation of the International Maronite Union which visited Lebanon and met with the various Maronite leaderships and notables. Speaking of the alleged unity of the Maronites, Bashir al-Jumayyil said: "This unity is embodied in the agreement of Camille Sham'un and Pierre al-Jumayyil, whom Bashir intentionally described as 'the real patriarch practically.'"

In this ceremony, Bashir al-Jumayyil was eager to deny any relationship between the Maronites and Arabs, describing their presence in the area "as the presence of the drop of oil which remains separate from all other alien objects, regard less of how closely it mingles with them."

Maronite Matter

Al-Jumayyil projected something new and serious on this occasion, namely that the Phalangist Party is working "to entrench the Maronite presence in this area and to give it its geographic dimensions." It is evident from this statement that al-Jumayyil will not be content with the area of land over which he has established his authority but wants, as Zionism has done in Palestine earlier, to expand the Maronite geographic sphere by stripping away the territories of others and annexing them to his authority.

The result is that the relationship between Bashir al-Jumayyil and the Maronite Patriarch began to deteriorate as of the first year of the Lebanese crisis. At the time, Patriarch Khuraysh expressed his deep resentment over the brutal sectarian massacres perpetrated by the Phalangist militias in their areas of control against the Muslims who were exposed to slaughter and eviction after their property had been plundered and their homes blown up or burnt. At a later time, namely after the 2-year war, Patriarch Khuraysh condemned openly the policy of terrorization, extortion and of protection money practiced by the militias in their areas of control and urged the state to impose its control over all areas and to spread the rule of law instead of the prevalent law of the jungle.

Bishop Denounces

Three weeks ago, a ceremony was held in a monastery in Junyah, which is under the control of Bashir al-Jumayyil, to ordain a number of Maronite priests. On this occasion, Bishop Riqqallah Sufayr, Patriarch Khuraysh's deputy and representative, delivered a sermon containing implicit phrases denouncing the actions committed by some "armed groups in the name of Maronism and under the pretext of defending religion." Bishop Sufayr said: "The message of Maronism is incompatible with murder, terrorization and the oppression of people." When reports of the sermon reached Bashir al-Jumayyil, he was extremely displeased and uttered some rude remarks about the bishop. On his way back to Bkarki, Bishop Sufayr was stopped by a Phalangist roadblock and his car was searched in order to humiliate him and affect his morale. When the patriarch protested the incident, Bashir al-Jumayyil apologized, claiming that the incident was the result of a mistake on the part of the roadblock elements who stopped the deputy patriarch's car instead of another car pursued by the Phalangist "police."

Bashir Will not Forgive

Some of those who are close to the commander of the militias say that the man will not forgive the Maronite Patriarch for the position he took in the wake of the Itchin massacre which was perpetrated by the Phalange Party leadership under the personal supervision of Bashir al-Jumayyil and which resulted in the assassination of Tony Franjijah, the son of ex-President Sulayman Franjijah, in addition to Tony's wife and daughter and nearly 30 other people, including women, children and old men. At the time, the patriarch made, in the presence of a number of Maronite deputies and notables, statements strongly denouncing Bashir al-Jumayyil and his positions. Bashir also censures the patriarch for having failed so far to make the necessary efforts to persuade ex-President Franjijah to conclude peace with al-Jumayyil family and to stop pursuing al-Jumayyils in revenge. Moreover, Bashir al-Jumayyil holds Patriarch Khuraysh responsible for the lukewarm position of the Vatican toward the Phalange Party and the failure of the Vatican to respond to the efforts made by some Maronite notables to make the Catholic Church declare its support for the Phalangist policy and positions.

It should note on this occasion that Bashir al-Jumayyil succeeded last year in persuading the Maronite orders to elect as their head a person well known for his absolute support for the ambitions of the Phalangist militias commander. It is also worth noting that the head of the orders is a member of the Supreme Council of the Isolationist Lebanese Front.

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GOVERNMENT STARTS WORLD DIPLOMATIC CAMPAIGN

120011354 Rabat Domestic Service in Arabic 1300 GMT 5 May 81

[Excerpts] Starting today Morocco is launching an extensive campaign in various parts of the world to draw attention to the gravity of events in Northwest Africa as a result of Libyan threats. The Moroccan missions are expected to visit about 90 countries. These delegations have begun to leave Morocco for various areas of the world.

Minister of State in Charge of Foreign Affairs and Cooperation M'Hamed Boucetta left Rabat this morning for Canada, the first leg of tour during which he will also visit Mexico and the United States.

He was seen off at Sale Airport by the secretary general of the Ministry of State in charge of foreign affairs and cooperation, the ambassador of Canada and the U.S. charge d'affaires.

Minister of Information Abdelwahid Belakziz left King Muhammad V Airport at noon today for Baghdad on the first leg of a tour that will take him to several Arabian Gulf countries. He was accompanied by two deputies, M'Hamed el-Mouan and Ibrahim [name indistinct]. He will be conveying messages from His Majesty the King to the kings and presidents of these countries. He was seen off at the airport by the Iraqi ambassador and the Jordanian charge d'affaires. He will be visiting Iraq, Kuwait, Jordan, Qatar, Bahrain, the UAE, the Sultanate of Oman, Greece and Turkey.

His Majesty the King's private adviser Ahmed Bensouda left King Muhammad V Airport, Casablanca, this morning, accompanied by [name indistinct] carrying messages from His Majesty King Hassan II to the kings and presidents of Saudi Arabia, Somalia, Djibouti, the YAR, the PDRY [words indistinct].

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YEMENI SOCIALIST PARTY ISSUES 'SPECIAL ORDER' ON RECLAIMED LAND

LD211852 Aden Domestic Service in Arabic 1230 GMT 21 Apr 81

[Text] The YSP political bureau has issued a special order on reclaimed land, land tenure and distribution, and complementary and developmental aspects for cooperative action, the order says.

The political bureau has studied the question of the future of reclaimed land, in addition to land tenure and the means for its correct utilization. In the light of this it has resolved the following:

1. The political bureau considers that surveying and reclamation have been thoroughly discussed and a number of decisions have been issued, culminating in the resolution of the eighth session of the YSP Central Committee which laid down the principal guidelines for dealing with issues pertaining to land reclamation. In view of available land throughout the territory of the republic, the political bureau has resolved that recourse be made to the following principles:

Land tenure: the appropriate form of land tenure is basically tied to the nature and forms of the prevailing methods of production and essentially to the existing system of irrigation and the special characteristics of each area. Where there is a system of permanent and double [mukdawa] irrigation, state farms shall be established, but wherever that is not possible a productive cooperative shall be established. In the case of land irrigated by flood water or seasonal rain then a service agricultural cooperative shall be set up.

2. Means of distribution: the political bureau agrees to the criterion (?previous) utilization as a basis for the distribution of reclaimed land regardless of whether the recipients are owners, beneficiaries or landless. The possibility of setting aside small allotments for private use with the object of linking the personal interests of the peasants and the interests of state and society in the distribution of agricultural products should be studied.

3. Complementary and developmental aspects for cooperative action: the encouragement of work is a complementary and developmental aspect that should be applied to promote the future growth of cooperative action as follows:

(a) The state should assume the major role in maintaining reclaimed land and the major irrigation installations. The state should provide the necessary facilities for the cooperatives with the objective of helping them raise the level of agricultural production.

(b) Reclamation and surveying should be linked to the provision of special projects for studying the possibility of introducing the system of double irrigation on this land.

(c) The Ministry of Agriculture should undertake intensive agricultural activity aimed at spreading awareness among the peasants and strengthening their links with modern farming methods. The role of the lending station should be strengthened by supplying it with the appropriate mechanical services.

(d) The party, mass organizations and local authorities should develop their means of working and activities among the peasants by making them aware of the objectives and benefits of cooperative work as well as the benefits of large-scale utilization projects and their positive returns for the peasants. They should encourage close links between the peasants and the land and mobilize them for effective participation in the implementation of purposeful programs to increase production and raise the living standards of the producers.

The Ministry of Agriculture should begin taking the appropriate legal and procedural measures to implement these decisions in coordination with the party and representative authorities. It should submit regular reports on the measures for implementation to the prime minister.

USSR: 4801/687

PERSIAN GULF AREA

JOINT STATEMENT ISSUED IN SUPPORT OF BREZHNEV PROPOSALS

Aden 'UMAN AL-THAWRAH in Arabic Jan 81 pp 11-13

Article: "The National Movement Groups in the Gulf and Arabian Peninsula Area Say: 'The Soviet Initiative Is a Practical Criterion for the Arab Gulf Countries'"

Text: "The five-point proposals which were announced by the Soviet leader Leonid Brezhnev when speaking to the Indian Parliament on 10 December 1980, and which concerned the Arabian Gulf area, aroused various reactions from the Gulf area, the Arab countries, and from all over the world. These reactions varied between support, caution, and opposition.

The strongest opposition to these proposals came from the pro-American Arabs of the area, especially those squatting in Muscat.

At the same time, the National Movement groups in the Gulf and Arabian Peninsula area welcomed these proposals and described them as being "a positive plan which responds to the interests and goals of the people of the area as well as to the interests of world peace..." for reasons which have been mentioned by the communique issued by these groups and whose text is published below:

The Western countries, especially the U.S., have begun to say more and more often that the Arabian Gulf represents a strategic region for the West because Gulf oil supplies are vital for the economy of the West. They say that the U.S. is therefore determined to guarantee that this oil continue to flow and that this flow of oil is being threatened by some internal and external dangers. In the opinion of the U.S., its Western allies, and its local clients, the most serious of these dangers is what they call the Soviet danger which is creeping toward the Gulf from Afghanistan.

This claim on the part of the U.S. and its allies and clients is fundamentally incorrect. The U.S., with its act of piracy against the Islamic Republic of Iran last April, has already shown that it is a threat to the Gulf and the Gulf's security and stability. Furthermore, this logic is at variance with the UN charter and is a threat to the sovereignty which the countries of the area have over their own territory and resources.

The U.S., along with its allies and local clients, has painted the USSR as being the reason for the Western military buildup, led by the U.S., in the waters of, and entrance to, the Arabian Gulf and for their return to the policy of military bases

and alliances. But the essential thing is that now the USSR itself, in the words of the chairman of the Supreme Soviet, Leonid Brezhnev, has approached the Western nations, led by America, and the nations which border the Arabian Gulf and has offered them a clear and definite plan which would take the hands of foreign countries out of the Gulf area.

The following was mentioned in the Soviet plan to guarantee the security of the Gulf:

Brezhnev pointed out that the Arabian Gulf area and the Indian Ocean have become a hotbed of increasing international tension. He said that, on the pretext of protecting their vital interests, countries which are thousands of kilometers away from the area have mobilized naval fleets in the area and have expanded their network of military bases there, and that they constitute a means of pressuring and a threat to the small countries of the area which refuse to go along with them. He also said: "The countries involved are striving to justify their actions by spreading rumors about the so-called Soviet danger to the area's oil wealth." He said that the USSR does not intend to encroach upon the oil of the Middle East.

In his speech to the Indian Parliament, the Soviet leader also said: "We want to create a normal situation in which peace and tranquility will prevail in the area, and we will confront the imperialist principle of aggression and domination vis-a-vis the Gulf countries with our principle of peace and security." He added: "We propose that the U.S. and the other Western countries...share in assuming the following mutual commitments:

1. Not to set up foreign military bases in the Gulf area and on the islands, and not to bring into the area any nuclear weapons or other weapons of mass destruction.
2. Not to use, or threaten to use, force against the countries of the Gulf area, and not to intervene in their internal affairs.
3. To respect the status of non-alignment which the countries of the Gulf area have chosen and not to drag them into military blocs which the nations possessing nuclear weapons are members of.
4. To respect the sovereign rights of the countries of this area to their own natural resources.
5. Not to create any obstacles or dangers to normal mutual trade or to the use of the waterways which link the countries of this area to the other countries of the world."

Brezhnev also said: "We believe that an agreement of this sort, under which the countries of the area mentioned will be partners with equal rights, will tend to be in conformity with their vital interests. For this reason, the agreement could become a sure guarantee of the sovereign rights of these countries."

After studying the plan, the National Forces in the Gulf and the Arabian Peninsula felt that the plan was a positive one and that it responded to the interests and goals of the people of the area as well as to the interests of world peace. The following reasons were given for this opinion:

1. The U.S., which is located thousands of kilometers away from the Gulf area, has no right to mobilize its naval, air, and Rapid Deployment forces in the area on the pretext that the USSR is threatening to sweep over the Gulf area and that it is threatening to cut off the Gulf oil supply route to the West. The USSR assures that it has no intention of encroaching on the oil of the Gulf or its supply route.
2. The countries bordering on the Arabian Gulf are members of the international group of non-aligned nations, and consequently the Soviet plan guarantees their neutrality since it obligates the countries of the Gulf not to join any alliance of nations in which one of the members is a nuclear power, that is, a superpower.
3. The Arabian Gulf countries are openly appealing to have the security of the Arabian Gulf guaranteed only by the countries which border on the Arabian Gulf-- with no intervention by the superpowers. But in reality these countries have brought America militarily and politically into the region by offering America military bases and facilities. This was done by Saudi Arabia, Oman, and Bahrain on the pretext that the USSR supports and maintains a military presence in other countries of the area. But now the USSR is proposing that foreign forces withdraw from the area and that no military bases belonging to foreign countries be set up in the Gulf area or on the islands near this area.
4. The Soviet plan affirms an internationally recognized principle, which is that the countries of the Gulf area have the right to exercise sovereignty over their own petroleum, without foreign intervention.
5. The Soviet plan proposes that non-intervention on the part of foreign countries in the Gulf be guaranteed and that the Gulf's security be equally guaranteed by the foreign nations concerned as well as by the countries of the area which are fundamentally concerned with the security of the Gulf.

The PDRY, Kuwait, and the UAC responded favorably to the Soviet plan. This reflects the trend of their foreign policies. At the same time, other governments such as those of Saudi Arabia, the Sadat regime, the Sultanate of Oman, and Bahrain rejected the plan, but on the basis of a weak pretext. The U.S. is the country which is fundamentally concerned with the Soviet proposal because it is the country which has imposed a dangerous status quo on the Arabian Gulf area due to the fact that it has mobilized its military forces and established a permanent military presence in the Arabian Peninsula, Egypt, and Somalia. The U.S. rejected the Soviet plan on the pretext that it was "mere propaganda and there is nothing new in it."

The position taken by the U.S. as well as by its client Gulf regimes was that of rejection of the Soviet plan and they even declined to reply to it. This position taken by them revealed their hostility to it. The Gulf regimes have brazenly revealed the fact that they are clients of the U.S. and are subservient to it. Consequently the true nature of the American military presence in the Gulf area has been revealed. It has been revealed that this military presence is directed against the people of the area and against their National Movement, because it is pure fantasy to say that the area is being threatened by foreign danger. This is why the National Movement in the Gulf and Arabian Peninsula condemns the position taken by the U.S. and by its client Gulf regimes, and this is why the National Movement calls upon the masses to oppose this American military and political presence and to expose the client regimes which are in collusion with American imperialism.

The Communist Party in Saudi Arabia

The Democratic National Front in the Yemen Arab Republic

The Bahrain National Liberation Front

The Popular Front in Bahrain

The Popular Front for the Liberation of Oman

9468

CBO: 4802/411

MEMBER ORGANIZATIONS OF GULF NATIONAL MOVEMENT ISSUE STATEMENT

Aden 'UMAN AL-THAWRAH in Arabic Jan 81 pp 8, 9

[Article: "Statement by the National Movement in the Gulf and the Peninsula on the Occasion of the Day of International Solidarity with the People of the Gulf and the Arabian Peninsula: 'Our People Have Every Right to Utilize All Possible Means to Resist American Aggression'"]

[Text] Last 17 December was the first anniversary of the kidnapping of the well-known progressive freedom-fighter Nasir al-Sa'id (Abu Jihad) by the Saudi authorities. The National Movement in the Gulf and the Peninsula has agreed to consider this day to be a day of solidarity with the masses of our region and with their National Movement, for the sake of honoring our national leader Abu Jihad and for the sake of exposing the policies of the area's reactionary regimes.

Furthermore, the International Conference of Solidarity with the People of the Gulf and the Arabian Peninsula, which was held in Cyprus in November of last year, approved the suggestion made by the National Movement in the Gulf and the Peninsula to consider this day of every year from now on to be a day of solidarity with it.

On this occasion the National Movement in the Gulf and the Arabian Peninsula issued the following political statement:

December 17 is the first anniversary of the kidnapping of the freedom-fighter Nasir al-Sa'id, head of the "Federation of the People of the Arabian Peninsula," by the Saudi intelligence apparatus and its clients in Beirut while the freedom-fighter Nasir al-Sa'id was carrying out his tasks which concerned our struggle. The National Movement in the Gulf and the Arabian Peninsula had suggested to the International Conference of Solidarity with the National Liberation Movement and Masses of the Gulf and Arabian Peninsula that 17 December, the date of the kidnapping of the freedom-fighter Nasir al-Sa'id, be a day of international solidarity with the people of the Gulf and Arabian Peninsula. The conference agreed to do this in honor of this outstanding national leader who had made a real contribution to the struggle of the National Movement and the struggle of the masses of the Gulf and the Arabian Peninsula.

As we contemplate this criminal act, we, at the same time, contemplate all of the policies of the reactionary regimes in the Gulf and Arabian Peninsula--regimes whose hostile policies toward our people and toward the Arab world bring themselves, and their allies the American imperialists, down to the lowest possible level.

Last November, when the year 1400 A.H. began, there occurred the armed take-over of the Holy Mosque in Mecca and later there was an uprising by the masses in Saudi Arabia's Eastern Province. This was an open expression of the rejection by our masses of the treacherous policy which is being followed by the Saudi regime. These two events revealed the role played by imperialism. In fact, they revealed the actual participation by America, France, and Jordan in the suppression of these two uprisings. This, in turn, reveals the fact that the Saudi regime is subservient to imperialism. At the same time, the courage and bravery which were demonstrated during the two uprisings at the Holy Mosque in Mecca and in the Eastern Province show the depth of hatred which our people feel for the Saudi regime and its policy of subservience to imperialism.

Mass executions were carried out by the Saudi regime during and after the two uprisings, and then there occurred the kidnapping of the freedom-fighter Nasir al-Sa'id as he was carrying out his duties to bring to light the struggles of his people, to interpret the lies spread by the Saudi regime and its clients, and to remove the thick curtain which hides the facts about our people's heroic deeds. These executions prove the bestiality of this regime and demonstrate how much it fears the black fate which awaits it at the hands of our people.

Today, 1 year after this uprising, the regime is rapidly pursuing its treacherous policy by throwing itself into the arms of America, by escalating its suppression of its masses, and by sacrificing the interests of the people and masses of the Arab world in order to serve the interests of imperialism and the Saudi regime. Saudi Arabia has ordered AWACS planes and crews for rocket and radar systems as part of the American plan to create a Saudi-Egyptian-Israeli military axis which would serve as the groundwork for utilization of the American Rapid Deployment Forces. Also, Saudi Arabia, as part of its contribution to the American plan, is the leader of the security and military alliance among the reactionary regimes of the Gulf area, but this plan is being carried out quietly in order to encircle the progressive regime in Democratic Yemen, sweep away the Iranian revolution, annihilate the National Movement in the Gulf and the Peninsula, and to form an Arab reactionary axis to confront the Steadfastness and Confrontation Front and the Arab Revolution Movement.

As for the field of petroleum affairs, Saudi Arabia is continuing to follow its policy of utilizing Saudi oil in order to serve the interests of the capitalist camp at the expense of the Arab national interest. Recently Saudi Arabia increased its production, saying that it was necessary to replace the Iraqi and Iranian oil which was no longer being made available. And if Saudi Arabia is the country which prescribes the policies of the other Gulf regimes, these latter regimes nevertheless are the ones which have distributed their roles among themselves in order to complete the components of America's satanic plans for the area. The Qabus regime is playing the role of spearhead in these plans. He went quite far in his treachery when he opened up Oman to American military forces which have taken over Musandam, Masirah, Salalah, and Thumarit as bases to be used against the Omani people and their revolution as well as against the National Movement in the Gulf and entire Arabian Peninsula. Oman is the staging point for American naval and air forces which cruise around in the Indian Ocean and the territorial waters of the Arabian Gulf. Furthermore, the Qabus regime does not hide its support for Camp David and its alliance with the Sadat regime.

The al-Khalifah regime in Bahrain gives its full support to the oldest American naval base in Bahrain, which is at al-Jufayr. This regime escalated its conspiratorial involvement with American imperialism after the fall of the shah and his regime. Bahrain was then transformed into a forward listening post for American intelligence services and espionage apparatuses which had fled Iran. The island of al-Muharraq became a base for American airplanes. This role is one which is complementary to the destructive role of the regime's economic policy, which is a policy of transforming Bahrain into an offshore banking center for the Western countries which can absorb Gulf oil profits and recycle them into the capitalist economic system and turning Bahrain into a bridgehead for the penetration of Western monopolies into the entire Arabian Peninsula.

In Northern Yemen, the San'a' regime is still betting on support from America, Saudi Arabia, and local reactionary groups, particularly tribal and religious reactionary groups which have been revived by virtue of money and weapons from Saudi Arabia so that they can crush the mass uprising which is being led by the Democratic National Front for the purpose of bringing about a radical change in the structure of the regime and in order to disassociate Yemen from imperialist and Saudi plans. The Democratic National Front is seeking to have Yemen follow a policy close to that of Democratic Yemen so that the two Yemens can become united.

In spite of the fact that some Gulf regimes, due to internal circumstances, have not gone very far in their collusion with American plans, they still are under pressure from Saudi Arabia and must stay in line with Saudi policy. This has caused them to open their doors to America, to suppress their own nationalist and democratic forces, and to coordinate their oil policies with that of Saudi Arabia. America proposed to the Gulf countries that they cooperate with it in the AWACS espionage plane operations, and not one of the Gulf countries refused to do so. Also, these regimes are part of the Gulf military and security alliance, and they are about to sign bilateral security agreements with Saudi Arabia. This Gulf bloc has clearly expressed its political position, which is one which is close to that of the Camp David policy. This came out during the summit conference in Amman--which was not attended by the members of the Steadfastness and Confrontation Front nor by Lebanon--where this bloc of Gulf states renewed its support for King Husayn, the hero of the second stage of Camp David.

The continuation of the Iraqi-Iranian war does not serve the interests of either the Iranian or the Iraqi people. It constitutes a blood-letting of the two countries' military and economic capacities--capacities which should be used in the fundamental struggle against imperialism and the Zionist state. This war has also given American imperialism an opportunity to intensify its military presence in the area. Furthermore, the war has given once again the Gulf reactionary regimes a justification for requesting an American military presence and for granting American military bases and facilities.

We demand that this war be stopped immediately and that the disputed issues be dealt with by means of negotiations and peaceful means.

The National Movement in the Gulf and Arabian Peninsula is faced with these grave dangers which threaten the Gulf and the Arabian Peninsula through the actions of American imperialist aggression and collusion of despotic tribal regimes which care

only about staying in power and which are prepared to sacrifice their territory, resources, and people for the sake of their own selfish interests. But the Movement is determined to expose this disgraceful collusion to the eyes of Arab and world public opinion and is determined to strip away the blackout and silence surrounding this collusion--which has been imposed by oil money--and its effects upon what has been going on in our homeland.

At the same time, the National Movement in the Gulf and the Arabian Peninsula will resist this new American aggression, and our people have every right to utilize all possible means to resist this aggression.

During the course of last year our people demonstrated their refusal to be part of this disgraceful collusion. Our region witnessed various forms of opposition such as the armed struggle in Oman, the armed revolutionary resistance to client forces in Yemen, demonstrations and marches in Saudi Arabia and Bahrain, and protests in other regions. This treacherous alliance has caused indignation to spread to various countries of the Gulf and the Arabian Peninsula. We are confident that our struggle will have the support of all progressive, democratic, and peace-loving forces in the Arab world as well as in the whole world. May 17 December be an international day of solidarity with the National Movement and the masses of the Gulf and the Arabian Peninsula in their struggle against the American imperialist onslaught and the despotic reactionary client regimes.

Long live the struggle of our people and of their National Movement in the Gulf and the Arabian Peninsula.

Death and dishonor to American imperialism and its reactionary clients. The Communist Party in Saudi Arabia.

The Communist Party in Saudi Arabia

The Democratic National Front in the Yemen Arab Republic

The Bahrain National Liberation Front

The Popular Front in Bahrain

The Popular Front for the Liberation of Oman

17 December 1980

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CSO: 4802/411

DUBAI, OMAN AGREE ON JOINT TRADE VENTURES

CFD41110 Dubayy KHALEEL TIMES in English 4 May 81 p 3

[By staff reporter]

[Text] Ways and means of promoting cooperation between businessmen in Dubai and Oman by establishing joint ventures were explored at a meeting held in Dubai yesterday between the two sides.

Yesterday's meeting at the Dubai Chamber of Commerce and Industry was a followup of an agreement signed in Muscat last December to coordinate and promote industrial, trade and agricultural relations between the two sides.

This first ever agreement to develop good relations for the mutual benefit was signed following an eight-day visit to Oman of a Dubai delegation.

Following the agreement a permanent joint committee was formed to follow up the discussions held in Muscat. In fact, yesterday's meeting seeking means to establish closer cooperation between businessmen of the two sides was the first followup discussion which will be continued further in Muscat soon. Two meetings will be held annually to coordinate measures to implement the accord.

The Dubai team to the discussion was led by Mr Sayf Ahmad al-Churair, chairman of the Dubai Chamber of Commerce and Industry. The other members of the team were Mr Juma al-Majid, vice chairman of Dubai Chamber; Mr Sa'id al-Kindi, member of the permanent joint committee; Mr Nizar Sardast, director-general of Dubai Chamber; and Mr Waddah Dajani.

The Oman team which was led by Shaykh Ahmad 'Ali, president of the Oman Chamber of Commerce and Industry, included his deputy, Mr Suhayl Salim Bahvan, Mr Khamis' Ali al-Hassan, secretary of Oman Chamber, and Mr Abdar-Razzaq Mahmud.

Both sides now explore ways of undertaking joint ventures in the field of industry, agriculture and poultry. In fact the two sides will take the required measures to bring businessmen in both countries closer so that such ventures could be undertaken by the private sector.

The other aspects covered under the agreement are:

Closer coordination between industrial and investment sectors of the two sides, exchange of information with regard to markets, supply centers, prices, trade marks and licenses, investment opportunities and incentives available to industrial sectors.

Coordination and cooperation in marketing raw material for the already established projects on both sides as well as marketing plans for new projects.

Coordination of the trade activities in view of the continuous increase in the volume and value of foodstuff imported by the two sides.

Encouragement for the exchange of information among the traders of the two sides on supply centers, value of products, conditions of sale and related matters.

Coordination among the traders of the two sides with regard to the import of same items to have better bargaining position vis-a-vis suppliers.

Uniformity in the specifications and standards for locally produced and imported goods.

CSO: 4820/315

KUWAIT, QATAR DISPUTE CRUDE PREMIUMS

Paris AN-NAHAR ARAB REPORT & MEMO in English 13 Apr 81 p 13

[Text]

Demands by Kuwait and Qatar for premiums above the official price for their crude oil were being resisted by buyers last week. At one point there were reports that Kuwait had suspended liftings by British Petroleum, Shell, Gulf Oil and most of its Western clients, but these were later denied. There were also reports from Tokyo that Qatar had threatened to cut off crude supplies to Japan.

Kuwait's Minister of Oil, Sheikh Mubarak al-Sabah, who was in Rome attending a seminar organised by O.A.P.E.C., told a press conference he was confident an agreement on new prices could be reached within two weeks. But he refused to discuss the subject, saying he was prepared to deal with Kuwait's customers but not with the press. Earlier, Kuwaiti Minister of State for Cabinet Affairs, Abdel Aziz Hussein, took a much tougher line, accusing the oil companies of "haggling" over prices and insisting that outside influences would not be permitted to affect his country's oil production policy. "We are no longer prepared to surrender to the policies of foreign companies," he declared.

Kuwait has been charging a premium of \$5.50 per barrel above the official price of \$35.50 for some of its oil. Now, it is seeking to extend the premium to all of its sales of crude, although at a lower level of \$2 to \$3 per barrel, according to some reports. Qatar has been demanding a premium of \$6.50 per barrel above its official price of \$37.23 from its Japanese customers, who lifted 135,000 b/d from Qatar last year.

Buyers have resisted these demands, citing as a reason the glutted oil market. Sheikh Khalifa appeared to brush aside this argument, at least insofar as future production was concerned. He said in Rome he was very optimistic that a unified pricing system could be obtained when OPEC ministers meet in Geneva next month. There would then be no need to talk about production, he said, because agreement on prices would mean that the market would then decide levels of output.

Kuwait's main customers have not renegotiated contracts which expired on April 1. Shell has been Kuwait's biggest customer, lifting 150,000 b/d of premium oil and 75,000 b/d of crude on which no premium was paid. BP lifts 150,000 b/d, Japan's Idemitsu 110,000 b/d and Gulf 75,000 b/d. The *Middle East Economic Survey* reported last week that Kuwait had found other customers for this oil if talks broke down, but oil company sources believe this is a bluff. The companies concerned say on their side that they are confident they can line up other sellers of crude if no agreement can be reached with Kuwait.

The companies cite contracts with Iran involving a premium of \$1.80 per barrel, which is to be discontinued during the second half of the year. Japanese oil industry sources in Tokyo were quoted by *Reuters* as saying that China, Brunei, Dubai, Indonesia and Mexico had all cut the price of the oil they sell to Japan by between \$0.65 and \$2 per barrel.

CSO: 4820/319

REPORT OF SAUDI ARABIAN MONETARY AGENCY

LD261524 Riyadh Domestic Service in Arabic 1400 GMT 24 Apr 81

[Text] His Majesty King Khalid ibn 'abd al-'Aziz received at 1130 today the 19th annual report of the Saudi Arabian Monetary Agency (SAMA) which was presented to his majesty by Shaykh 'abd al-'Aziz al-Qurayshi, governor of SAMA. The presentation was attended by His Royal Highness Prince 'Abdallah ibn 'abd al-'Aziz, second deputy prime minister and commander of the National Guard; His Excellency Shaykh Muhammad 'abu al-Khayl, minister of finance and the national economy; and a number of senior state officials.

The report confirmed that during the last decade the kingdom went through several important turning points in its modern economic history, in which the real income of individuals more than doubled. The real non-oil local gross product witnesses speedy growth, averaging 10.7 percent during the first development plan and 15.7 percent during the second plan. Average growth during the decade as a whole reached 13.2 percent. Thus, the real local non-oil product rose by about 3.5 times what it was at the start of the decade.

The report also confirmed the state's determination to control local inflationary pressures during the third plan which is aimed at the development of the economic sectors, to increase their productivity, to limit the great dependency on oil revenues, to raise the level, efficiency and performance of Saudi manpower and to limit dependency on foreign manpower. It praised the role played by SAMA, by the commercial and agricultural banks, and by the funds for industrial and real estate development and general investment in the various fields of development and the consolidation of the national economy. The report reviewed progress achieved in the fields of transportation and communications, agriculture, water industry, electricity, education and health. It said the standard of living on all groups of citizens witnessed a great improvement, and the basic necessities are available to a great extent. Also, basic infrastructures were built and the performance of productive sectors achieved a noticeable improvement. Various bottlenecks witnessed by the country in the middle of the last decade were eliminated.

CSO: 4802/687

SUDAN OPPOSITION LEADER COMMENTS ON CURRENT POLITICAL CLIMATE

Lahore CHATAN in Urdu 16 Feb 81 pp 9, 10

[Interview with Sadiq al-Mahdi, Sudan's opposition leader; correspondent, date and place not specified; Sadiq al-Mahdi's answers translated into Urdu by Shafiq Mirza]

[Text] [Question] News has been received about an increase in influence within the army and government of the supporters or followers of Sadiq al-Mahdi. How are your relations with President Nimeiri?

[Answer] During the process of reconciliation with the governments, I have been in contact, to some degree, with some of the government officials. This does not mean that the influence of our supporters is increasing, but the majority of the masses has accepted our analysis of the situation, which has been proved correct by events.

[Question] Does the president seem to have come closer to this point of view?

[Answer] I think that the president was already feeling the need to come out of his circle and manage affairs on the vast national level in Sudan. And probably it was for this reason that he had adopted the course of compromise. Many people in his circle did not accept that; rather, they have tried to sabotage things in some way. Before the compromise, the prisons were full of political prisoners, and there were harsh feelings throughout Sudan. The spread of rumors had become a daily routine. Although nothing is being done to solve the economic problems, political conditions have improved. Because of the change in foreign policy, certain people believe that the ruling party, the Sudanese Socialist Union [SSU], has gained a lot. But from talking to President Nimeiri, I feel that he, at least, is not satisfied. He believes that something has to be done.

[Question] Gen 'Abd al-Majid (Khalil) has been the secretary general of the SSU for the past year. What is the outcome of your talks with him? Did you feel that the president was preparing him to be his successor?

[Answer] Sayid 'Abd al-Majid is the kind of Sudanese officer who has no connection with any party or faction. I think that his appointment as the first vice president was very suitable because, as a person with the highest military rank, it is very good that he is open-minded and impartial. We have said from the

beginning that all kinds of reforms should be considered from the viewpoint of the Sudanese people and their representatives and not from the viewpoint of the ruling party or the opposition party. For this purpose, there is a need for a united party, a political program and a political organization. It is true that the present government considers Sayid 'Abd al-Majid second-in-command because of his being the head of the army and having the second highest constitutional position after the president. If things remain unchanged, then he can certainly solve the problem of succession, and on the basis of evolution, agreed changes could also be acted on.

[Question] Do you still support the reorganization of the structures of the SSU and the Peoples' Assembly?

[Answer] This matter has never been discussed. There is a very disorganized method of nominating ministers in the government, and they are not accountable to anyone but the president. What we want is not that if a change occurs, one group leaves and the other comes in, but to organize a system in which political offices become stronger and more established, they work more efficiently and they can be held accountable by the people. It was for these reasons that we boycotted the national assembly elections. We did not stress these matters for the sake of understanding, but we presented them so that even if no compromise took place they should be acted upon. Compromise constitutes only a historical chance that such matters get resolved peacefully, and presumably the Sudanese people, too, would welcome the resolution of these matters in this way.

[Question] Your record shows that you are in favor of a more balanced foreign policy; for example, do you want the superpowers to be dealt with equally?

[Answer] In our country, there has been a lot of talk about relations with the Soviet Union. Some think of communist Russia as a worldly paradise, and their opponents think of it as the devil incarnate. Both extremes are wrong. We should ignore them both. The Soviet Union lies between these two extremes. Russia as a superpower has maintained a balance of power. Also, it is a place where a consciously organized economic experiment has been carried out and for that purpose, training and education of the people have been successfully practiced. Moreover, on the basis of these facts, we can get arms that we cannot manufacture locally. We should look at this aspect, and we should also keep our eyes open on the other side so that we are not totally dependent on one power.

[Question] Last October, when you were in Moscow, did some talks on Sudan-Moscow relationships take place?

[Answer] No. I met with officials who deal with Afro-Asian and religious matters and I discussed the importance of these matters and relations with the Soviet Union. But in addition, I also said that Russia should review its policy toward our ideologies, culture and people.

[Question] Do you think that Qadhafi-Nimeiri relationships are an obstacle to a reasonable understanding between Sudan and Libya?

[Answer] Although for some reason no indirect contacts have been made between the two leaders, relations between "official" Sudan and "official" Libya have been quite normal. The present situation makes it essential that whatever they say about each other's government, they have to establish certain standards and follow them.

[Question] How would you explain Sudan's relations with Egypt after Egypt signed the Camp David accords?

[Answer] There have been a lot of talks concerning the two countries' relationships. But the fact of the matter is that President Sadat has adopted a policy that has left him cut off from the Arab countries, and Sudan has felt that it would gain nothing from keeping a relationship with the Egyptian president, though the relationship may be maintained on a government level. By establishing peace with Israel, the Egyptian government isolated itself from its people and this distance will widen in proportion to the government's closeness to Tel Aviv.

[Question] What is that committee, which was established to make the laws and the constitution Islamic, doing?

[Answer] A draft of laws was forwarded to the senate but no discussions on it have taken place. On this matter, there is unanimous agreement that we are Muslims and that Islam presents solutions for both private and public matters. We are living in a progressive modern society in which there are also many non-Muslims. Therefore, we want to establish a way of life that is Islamic and that also meets the demands of modern society. Non-Muslims will also have their rights. This movement on the ideological, educational and judicial fronts will continue. What I think is that a national Islamic platform will be established that does not belong to any party.

[Question] How are your relations with the Muslim Brotherhood?

[Answer] We agree on certain matters and disagree on others. We do not want to follow the orthodox viewpoint by which Islamization is understood to mean that certain traditions be reestablished. Our response is much better on social changes and is based on historical facts. In our culture, since the Muslim Brotherhood is well publicized, they will progress. The reason why our educated and intellectual class is inclined towards communism is because of the reaction to the way the Muslim Brotherhood neglected modernization and spent all its resources on establishing its personality, whereas the communists accepted modernization and newness and said farewell to such persons.

[Question] What do you think about the government's economic policy?

[Answer] The public sector is of great importance. As long as there is a heterogeneous way of life in Sudan, the public sector will remain active. I still believe that to solve the economic problems, the government should call for a conference of people from every school of thought in which economic experts, laborers, professionals and artisans--in short, people from all walks of life--participate so that national matters involving various points of view can be discussed and solved.

PFLQ STATEMENT SUPPORTS BREZHNEV PROPOSALS

Aden 'OMAN AL-TIAHRAH in Arabic Jan 8 p 1

[Article: "The PFLQ Says: 'We Completely Support the USSR Proposals'"]

[Text] Concerning the proposals made by the secretary-general of the CPSU and chairman of the Presidium of the USSR Supreme Soviet, an official spokesman for the PFLQ issued the following statement: We value highly the five-point proposal which was made by Chairman Leonid Brezhnev in the Indian Parliament because it authentically expresses the good and noble intentions which the USSR has with regard to the Gulf and Arabian Peninsula region. This is not all that it shows. It also shows that the USSR is always eager to promote world peace and security. This proposal is a candid appeal to rid this sensitive region of the world of the American naval bases and fleets which are present in Oman and the waters of the Indian Ocean, Arabian Sea, and Arabian Gulf. This appeal proves that the USSR is a sincere friend of the Arabs. For this reason, these proposals have won the respect and esteem of the peoples of the Arabian Gulf area. It has also been shown who the friends and who the enemies are of the peoples of the Gulf area and of the countries which border on the Indian Ocean; and it has been shown who wants good fortune for this region as well as who wants the region to suffer from ill fortune, tensions, and instability. This was clearly shown by the way the Americans reacted, and by the fact that these proposals were rejected by America and its clients in the area such as the client Qabus, the rulers of Bahrain, and other clients who have brought the area into a situation of great danger and have exposed it to direct American occupation.

We in the PFLQ have already alerted our fellow-Arabs and our friends in the world to the danger of the situation in this area due to the treacherous actions of some of the area's client rulers. This applies in particular to the region of the client Qabus who opened up the land and territorial waters of Oman to American military bases and forces. This intensive military presence not only constitutes a danger for the Omani people and their national resources, but also is considered to be a direct danger which threatens the whole area. This is because the imperialism which has transformed Oman into its forward base in the region wants to use this base as a staging area to begin its domination over the whole Gulf and Arabian Peninsula area.

We have said repeatedly that we will resist this imperialist intervention through all possible means of struggle that are at our disposal. We have said previously that we will provide aid to all honest and upright natives of our area so that

security and stability will prevail in this region--with the area being truly independent and far removed from imperialist intervention and bases. On the basis of this premise, we fully support the new USSR proposals concerning a guarantee of security and stability in the Arabian Gulf area. We are not at all surprised that the U.S. has rejected these proposals and that it insists on keeping its bases and fleets in this region. When was the U.S. ever concerned about the interests of the peoples of this area or about world peace?

Signed: The Popular Front for the Liberation of Oman

14 December 1980

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CBO: 4802/411

SULTANATE OF OMAN

QABUS SUPPORT FOR WEST DISCUSSED

Aden 'UMAN AL-THAWRAH in Arabic Jan 81 p 2

[Article: "Qabus Affirms His Readiness to Reinforce America's Military Presence in Our Country"]

[Text] In his latest interview with the American magazine NEWSWEEK, Qabus impudently exposed his betrayal of the causes of the Arab world, especially that of Palestine. He reaffirmed the extent of his readiness to reinforce the American military presence in Oman and to forsake his country's sovereignty in return for Washington agreeing to provide him with protection and to defend his continuity in power.

Concerning the Arab world as a whole, Qabus said: "In spite of all of the difficulties, Camp David has brought the problems of the Middle East closer to being solved...and so far no one has come up with a better approach."

Concerning Oman, Qabus showed his intense desire to grant military facilities to the U.S. at the Masirah base and at two other bases in other areas of Oman--in return for a handful of weapons which Washington has promised to deliver to him.

So it is with impudence such as this that Qabus has disavowed even the obligations which he vowed to respect and assume during the Baghdad summit conference and during numerous other Arab and international gatherings. Furthermore, he is ignoring the historic rights of the Palestinian people and is forsaking the rights of the Arab people to the lands which have been occupied by the Zionist enemy since 1967.

He also does not hesitate to say that Camp David, in his opinion, is the best solution until someone comes forward with a solution which supersedes it.

It is Qabus's right to reveal his ignorance, but it is not right to allow this ignorance to obliterate true facts and to distort history. Everybody has come to be familiar with the solutions which have been suggested by the PLO and which have been approved of by all of the countries of the world with the exception of Zionist Israel and imperialist America.

Camp David not only ignored the rights of the Arabs, but also played a role in removing Egypt from our battles of liberation. Egypt right now is doing its part in the tearing apart of the ranks of the Arabs which had been unified on the basis of the minimum demands which had been set during some Arab summit conferences. When

talking about Oman, Qabus reveals even more of his treachery. This is not the first time that Qabus has volunteered to commit such treason so that he can be the claws of the imperialists in the area, especially after the victory of the Iranian revolution and the fall of the shah.

He was the one who thought up the "security" plan which is based on European and American forces being stationed in Oman and having them financed by the Gulf countries. He is the one who has demonstrated his readiness to set up American bases in Oman in order to preserve Western interests in the area and to defend America's allies and clients there.

Furthermore, he is the one who allowed American planes to use Oman as a staging base from which to carry out their Tubas-Iut operation against Iran.

He did all of this in order to gain the support of the imperialists and in order to guarantee that they would stand by his side in case his throne were exposed to danger.

These may be Qabus's calculations and surmises, but they are not stronger than the will of our peoples, nor are they stronger than our peoples' determination. The Omani masses will not be afraid of American bases, and their march will not be stopped by other imperialist forces. They are the ones who will have the last say about how things will be, and they know when and how to say this last word. And when that happens, Qabus's treachery will be of no use to him and he will not be aided by the crimes which he has committed against the Omani masses.

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CSO: 4802/411

ECONOMICS CHIEF LAUDS DOMESTIC DEVELOPMENT, BEMONES LACK OF ARAB AID

Paris AL-MUSTAQBAL in Arabic 28 Mar 81 pp 34, 35

[Article by Yasir 'Abd Rabbuh: "'Abd-al-Qadir Qaddurah: Is Syria Becoming the Arab Japan?"]

[Text] Is Syria becoming the Arab Japan?

The question raised itself as a revelation from conversation with Mr 'Abd-al-Qadir Qaddurah, deputy prime minister for economic affairs of the Syrian Arab Republic. It raised itself in proceeding from a notion some Gulf businessmen had expressed to Mr Qaddurah concerning Syria's potential for becoming the Japan of the Arabs.

The meaning of the potential "Japanese character" whose economic aspect Syria is assuming is that Syria will be transformed into an exploding, advanced technological and industrial economic bastion bearing the seeds of technological development for itself and its Arab environment.

People who raise the question proceed from the premise of the progress the Syrian economy has achieved in past years, in spite of all the regional political and military obstacles which have exerted pressure on that economy. It is as if the people raising the question have proceeded from the premises of the experience of Japan, which would not have achieved its general economic growth had its economy been laboring under regional military and political burdens. They then reach the conclusion that what is impeding Syria from indeed becoming the Arab Japan are the political and military burdens its economy is enduring because of regional conditions, and consequently that the way for Syria to blossom forth into the "Japan of the Arabs" is to get rid of these burdens and the policies they impose by inspiration from its slogans.

Talking about this matter has many Syrian, Arab and international ramifications — as a result of which the talk is unending. The figures and observations which appeared in the talk with Mr 'Abd-al-Qadir Qaddurah are only part of these ramifications.

[Question] Could we start with a picture in figures of the Syrian economy, through its development in past years and the condition it has attained now?

[Answer] Total agricultural output in the country in 1979 increased 187 percent over its 1970 level, although the 1979 season was not good, because of a shortage of

rain. Grain output, for example, increased 200 percent, that of vegetables 330 percent, and that of fruit 215 percent, while livestock production increased almost 170 percent. Milk output came to 175 percent and that of eggs to 445 percent. The value of agricultural output alone in current prices came to about 8.4 billion Syrian pounds in 1979, whereas this value was no greater than 1,725,000,000 in 1970. We must note that agriculture is the sector that has been least exposed to comprehensive structural change, because the means of production remain private property and the public sector has not seriously entered into ownership of them. In addition, it takes long years and unremitting efforts to change the structure of Oriental agricultural societies. However, the government's participation in reclaiming land, increasing irrigation resources, planning agriculture, providing seeds, fertilizer and farm machinery to the peasants on easy terms, providing them with loans and aid, buying production and regulating production marketing have all contributed to the attainment of this progress in the agricultural and livestock field. Farming assumes the most important place in the coming 5-year plan beginning in 1981.

In the past 10 years, attention was concentrated on industry, and the public sector was the basic participant in expanding and developing areas of industry and meeting the country's industrial needs: the total accumulated funds invested in the industrial sector alone came to about 55 billion Syrian pounds over the 9 years. They came to 2,305,000,000 pounds in 1970 and reached 12,213,000,000 in 1979. To continue, the total number of people working in the public industrial sector alone evolved from 53,000 in 1970 to about 100,000 in 1979, and the value of these workers' wages evolved from 188 million pounds in 1970 to about a billion pounds in 1979. The value of domestic product in the industrial sector in 1979 came to about 6.2 billion pounds, while in 1970 it was no greater than 2.28 billion. One should note that the industrial projects that have been established are all being carried out and have not been put into operation, at least not at full capacity.

The major achievement has been in the realm of electricity, because the waters of the Euphrates Dam have been put to use for electricity production. Electricity production, on this basis, expanded from 947 million kilowatts in 1970 to 3,965,000,000 billion kilowatts in 1979, approximately a fourfold increase, making it possible to electrify the countryside, supply old and new plants and installations, construct an electrical grid in the country and help neighboring countries meet part of their electric power requirements.

Tangible development has been achieved in the area of roads and railways. While the length of the various types of land routes was 11,687 kilometers in 1970, this came to 17,724 kilometers in 1979, and the length of railroads increased from 1,140 kilometers in 1970 to 1,871 kilometers in 1979, or by more than 150 percent for roads and railways. The development of the economic base in agriculture, industry, electricity, roads and railways has perforce led to increased production and increased exports; while the value of our exports was 775 million Syrian pounds in 1970, it leapt to 6,542,000,000 in 1979, or a more than 800 percent [increase]. To continue, net domestic product, according to the cost of factors of production in 1975 prices, increased from 10 billion Syrian pounds in 1970 to 23 billion Syrian pounds in 1979, and gross product, by producer's costs according to fixed 1975 prices, increased from 17 billion Syrian pounds in 1975 to 38 billion pounds in 1979. On that subject, per capita net domestic product in costs of factors of production in current prices increased from 979 pounds in 1970 to 3,956 Syrian pounds in 1979.

Question Could we put these figures, and the indices and development they reflect, into the general political context which has characterized Syrian life in the stage during which these figures were produced?

Answer The Syrian economy reached this stage of development in the context of two political trends. The first was the trend of the Corrective Movement as the general policy of the country, which, in general, reflected legislative and applied corrections and reforms on the economic situation. In the light of and as a result of this corrective movement, much legislation was passed to reform economic and social life in the country, cause its human and material resources to burst forth and develop its technological powers.

This is not the place to enumerate this legislation, but we can in particular refer to that part of the legislation which bears on the encouragement of the industrial sector, the provision of incentives for workers and the attraction of capital and technology within our developmental policy.

Two economic development plans were also set forth and carried out in the context of this movement. They embraced all sectors of the Syrian economy, without neglecting the social dimensions desired of any real development plan -- particularly in the realm of social justice and the constant improvement of the living standard of the overwhelming majority of poor citizens and people with low incomes.

The second trend which influenced this stage of development in the Syrian economy is represented by the continued military and political pressures on our economy, indeed the continued escalation of these pressures, which fate has dictated that Syria bear as a citadel of perseverance and steadfastness against the Zionist aggression against the Arab nation. These pressures make it mandatory that we always round out the ingredients for continuing our perseverance and they require that we allocate a large portion of our income to strengthening armed forces, developing and outfitting them, and keeping them at a high degree of readiness.

The most important aspect of this state of affairs is that the economic development that has been achieved in the context and course of the Corrective Movement was achieved in spite of these military pressures against our economy, and the essentials that we have gleaned for national perseverance are part of the Corrective Movement and the foreign policy side of it.

Question Perseverance is not just a Syrian cause; it is the cause of all Arabs and the duty of all Arab governments and peoples. The Syrian economy is not just Syria's, it is part of the overall Arab economy. Has Syria done what it is supposed to to attract Arab investment to its economy? Have the Arabs responded to the needs of the Syrian economy in the previous stage and to its development potential?

Answer In reality, Syria has done all it was bound to do in this area. It has always asserted its receptivity to Arab investors and has provided them with arrangements that they have not been furnished with in any other place or country. It has passed the necessary legislation to facilitate the entry of these investors, encourage their activity and protect them, while acknowledging their right to profits and even the right to choose the projects which are suitable for them. This legislation

has embraced all tax, administrative and monetary aspects which investors looking for feasible assured investments demand. However, most unfortunately, I can say most bluntly that the role of these Arab investors has been disappointing. Only modest sums of their investments have come into our country, and they are not worth mentioning when compared with Arab financial resources, investments made outside Arab countries, or even the facilities given these investments, which their owners admit are more than adequate.

Question How have relations between the Syrian economy and foreign countries during this stage been? Has Syria obtained the cooperation with these countries to which it is entitled?

Answer Syria's economic relations with all countries, or foreign economic or political powers, are determined in the light of two factors:

The first factor is the country's interests and needs in terms of the development plan. The second factor is not to have economic orientations affect political positions and not to withdraw from general political principles under the pressure of economic issues.

In practice, the Syrian Arab Republic's economic relations with all foreign powers have always been balanced. In deducing the achievements of the fourth development plan, which is the second plan under the Corrective Movement, it is clear that many plan projects were carried out by companies from Western nations, such as the ammonia and gas plant, hospitals and so forth, which were awarded to French and West German companies -- as contrasted with other projects which were awarded to organizations from Eastern European countries.

Syria does not impose the condition of a specific ideology for its projects; rather, it approves projects which are useful and technologically advanced, provided that their construction take place at an economically viable price and that construction of the projects not be contingent on any political position.

Question You are on the threshold of a new development plan; how do you regard the technological development which has been achieved so far and how do you regard the possibility for promoting it in the future?

Answer The fact is that the achievements of the domestic capacities for construction and technological development we possess constitute tangible accomplishments; we might present some of these as examples but not as exclusive cases:

The first example is the capabilities which the construction and building companies belonging to the public sector have come to possess. These companies have become capable of carrying out large-volume advanced technology development and construction projects in a number of building sectors at international specifications. Perhaps the greatest proof of this is these companies' ability to carry out construction projects at specifications and under conditions spelled out by the International Bank for Reconstruction and Development and these companies' ability to compete with private sector companies and win bids for projects financed by loans from the World Bank, which, in offering loans, imposes the condition that the projects presented

to it be awarded by the competitive bidding method. These companies' ability is also apparent in the fact that some of them have managed to establish projects and obtain contracts in Arab countries, as one of these companies has started to do in establishing a joint venture in North Yemen.

The second example is the development which has occurred in direct industrial production in new Syrian factories and in some old ones which have been recently improved. The most recent accomplishment we have made in this field is the paper mill in Dayr al-Zawr, which was built last year at a cost of 700 million Syrian pounds and produces paper pulp from straw in accordance with modern technology at an annual rate of 32,000 tons, in addition to 62,000 tons of paper and subsidiary products in the form of paper for printing and packaging, bags and so forth — not to mention annual output of caustic soda needed for the manufacture of soap and for purification (3,000 tons), chloride (2,700 tons) and hydrochloric acid (900 tons). The value of the plant's output in current prices comes to 150 million Syrian pounds and it is produced by 1,000 engineers, technicians and workers. This plant's operation has created numerous job opportunities for agricultural and transportation workers in collecting straw and bringing it to the mill and in transporting and distributing the products within Syria, saving the country the substantial amounts of foreign currency it would have spent importing the paper.

The third example is the progress which has taken place in the production of a large number of manufactured products in a number of sectors, with reliance on technological cooperation with foreign plants by the system of granting production permits (under license). In this field, I might refer to the Bamico pharmaceutical plants which produce a number of types of drugs at international specification at quite low cost. These plants have evolved from a loss situation, with a volume of operations of 1.5 million Syrian pounds, in 1977, to a net profit situation with a volume of operations of 79 million Syrian pounds in 1980. This progress prompts the plant to import certain primary materials needed for its production by air, so that it can respond to the demand for its products, a large part of which are exported (and some of which, unfortunately, are smuggled to neighboring markets because of their international specification and low prices).

In this regard I can also refer to the (Cirlac) [as published] product, which is produced directly by prior licensing from the Swiss Nestle factories, and I can also refer to our production of shoes at Italian specifications at low prices, the glass factory, some electronic assembly industries, and so forth.

However, all this, and similar production in other sectors, is not enough. The now 5-year plan is aimed at developing broader-scale deeper technology. This plan is programmed to achieve an annual growth rate of 5.8 percent. It would have been possible to attain a higher growth rate, but this rate was accepted in order to enable the country to absorb the experience which has been achieved so far and determine the weak points and strong points in it.

We are not so weak as to ignore the economic ailments of the age which have afflicted us, such as increased liquidity, inflation and consumer greed. Nor do we ignore that some of the technology that has been transferred has been through the village system, that is, by mimicry and the performance of the necessary adjustments to technology in the light of the needs and circumstances of society. These

observations are not criticisms born of hindsight but are part of the question which aware people ask after every experiment, namely: what is now to be done? This question has been raised and will continue to be raised in a manner which demands that everyone take part in responding to it and enriching it in the light of expertise, knowledge and results.

The general context of the answer is that the new development plan has to act (as was noted when it was programmed) to rectify two basic elements. The first element, which is to be rectified in the first stage of the plan, is performance of the operation and assimilation of what has been mastered technologically, administratively and technically in the industries which have been established so far, with the goal of training the industry and putting it to work in the best possible form, following the rounding out of financial and human deficiencies. The second element is the selection of projects in a manner where we will not proceed to establish any new industry in Syria until we have affirmed its feasibility, its return and its yield.

The proper execution of these two tasks means the attainment of a quantum leap in our development process, and that is necessary if we are to implant the positive results of our experience.

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CSO: 4802/669

ABU DHABI ISSUES NEW TRADE DIRECTORY

Abu Dhabi EMIRATES NEWS in English 1 May 81 p 3

[Text]

Abu Dhabi, April 30 (EN) The third edition of the Commercial Directory of the Abu Dhabi Chamber of Commerce and Industry has just been released.

Issued in English and Arabic, the directory contains names and addresses of local and foreign firms doing five types of businesses in both Abu Dhabi and Al Ain.

With over 1,000 pages in both languages, the latest edition is an improvement over the previous ones, first issued in 1975 and later in 1978.

Saeed Ahmed Al Oteiba, President of the Abu Dhabi Chamber of Commerce and Industry, traces the growth of the chamber since its foundation in 1969 and the "large strides" it has made in trading activities over the years.

Samir Al Droubi, the live-wire director-general of the chamber in an introduction to the directory has set out the guidelines for businessmen intending to start business or trading in the Emirate of Abu Dhabi and has cited chapter 4, article 31, of the Abu Dhabi Chamber of Commerce and Industry Law No 6 of 1979 towards this end.

All business establishments in Abu Dhabi and Al Ain are required under this law to register with the chamber. Exceptions are consultants, auditors and other professional establishments. Five types of licences are issued by the chamber. They concern trading, contracting, transportation, services and

industry. Foreign nationals can have only one type of licence, except transportation, which is exclusively reserved for UAE nationals.

Droubi has pointed out that a local partner is an absolute "must" for obtaining a licence. He should be paid a minimum of 25 per cent of the net profit annually, whether or not he participates in the capital. Where there is local participation, the profit is to be shared proportionately. A 51 per cent local participation by local capital is highly recommended.

Besides listing both local and foreign firms operating in Abu Dhabi and Al Ain, the directory also lists the various commodities or products which firms are importing into the country.

In addition, the directory lists the names and addresses of foreign embassies in the UAE, chambers of commerce and industry in the other emirates and the names of the chamber's board of directors together with their designations.

As President Oteiba has remarked: "This edition has been brought out in such a way as to adapt itself to the changing regulations governing commerce and industry in Abu Dhabi."

HIGH INCREASE IN PIRACY CITED

Abu Dhabi EMIRATES NEWS in English 29 Apr 81 p 3

[Article by Hussein Anwar]

[Text]

Abu Dhabi, April 28 (Al Fajr) Piracy on the high seas has unnerved UAE traders in the wake of a number of swindles.

The recent one was that of 'Biscaya Golf' which carried seven million dirhams worth of goods to UAE merchants. The goods have not yet been received. A committee comprising the affected merchants lodged an official complaint to the chief of the Singapore trade team currently on a visit to the country.

Sheikhul Deen Mohamed Al Muhdi, the legal consultant to Dubai Chamber of Commerce and Industry, who participated in the meeting said that sea swindling was the illegal disposal of money or goods belonging

to one part of an international commercial operation by any other party.

Several sides usually take part in international commercial operations and this facilitates swindling in various forms.

But the most important form can be categorized into four:

Swindles committed by one merchant against another or against the shipowner or bank or an insurance company; swindle committed by the ship's captain against its owner; swindle committed by the shipowner or merchant against the insurance company or swindle committed by the ship's captain or owner against the merchants.

In 1979, Al Muhdi said there were three piracy cases per month. But today, the figure has risen to 100 every ten days. Experience has revealed that

most ships used in piracy were old ships, more than 15 years old. Ships used for piracy were usually hired for one trip.

According to him, UAE merchants should think carefully about the following points: Merchants should deal only with well-known shipping companies; As regards goods, they should deal with a trusted bank or for opening credit, Cargo conditions must be selected by the merchant after a thorough study; The merchant must hire a ship or a part of it to carry his cargo and he must inform the selling company of the name of the ship; Inspection of cargo by a neutral side is an important procedure; Insurance should be effected by a well-known insurance company and according to a clear policy.

CSO: 4820/317

STUDY PREFERS FOOD SUBSIDY TO PAY HIKES

Abu Dhabi EMIRATES NEWS in English 1 May 81 p 1

[Text]

Abu Dhabi, April 30 (Iltihadi) His Highness President Sheikh Zayed bin Sultan Al Nahyan is understood to have allocated Dh. 1,900 million as subsidies for essential commodities in the wake of a study prepared by Municipalities' Secretariat-General.

The subsidies cover rice (basmati), sugar, flour, meat and chicken, corn oil and fats, milk, tomato paste, coffee and cardamom.

The study estimated its figures on the basis of individual consumption in a year and presumably set the subsidy per kilogram of these food items and calculated the overall annual subsidy on each item on the premise that the UAE population is one million.

- Rice: Average individual monthly consumption five kilograms, the general annual consumption will be 60 kilograms. If the per kilogram subsidy is Dh. 1.5, the entire subsidy is Dh. 90 million.

- Sugar: Individual consumption per month is estimated at two kilograms; in a year 24 kilograms; the general consumption will be 24 million kilograms. If the per kilogram subsidy is Dh. 1.5 the entire subsidy is Dh. 36 million.

- Flour: The annual general consumption is estimated at 100,000 tons and if the per ton subsidy is Dh. 400 the entire subsidy adds up to Dh. 40 million.

- Meat: The study estimated meat subsidy at Dh. 300 million. As for chicken, if the individual consumption is 2.5 kilograms a month, in a year it is 30 kilograms. Thus, the annual general consumption is 30 million kilograms. If the per kilogram subsidy is Dh. 1.5, the entire subsidy is Dh. 45 million. Adding to this figure the meat subsidy of Dh. 300 million, the total subsidy for chicken and meat is Dh. 345 million.

- Corn oil and fats: Supposing the monthly individual consumption is 1.5 kilograms in a year it is 18 kilograms. The annual general consumption is 18 million kilograms. If the per kilogram subsidy on corn oil is Dh. 4, the entire subsidy is Dh. 31.5 million.

- Milk: The individual consumption is estimated at 500 grams per month and the annual consumption at six kilograms. The general annual consumption stands at six million kilograms. If the per kilogram subsidy is Dh. 3, the entire subsidy is Dh. 18 million.

As for baby milk, the annual average consumption is estimated at 500,000 kilograms. Thus, its subsidy stands at two million dirhams and the proposed entire subsidy on milk is Dh. 20 million.

- Tomato paste: The individual consumption is estimated at 500 gms. a month and six kilos a year. The

general annual consumption is six million kilograms. If the per kilogram subsidy is Dh. 1.5, the proposed entire subsidy is Dh. 9 million.

- Coffee: The monthly individual consumption is estimated at 250 gms. and in a year three kilograms. Accordingly, the annual general consumption is three million kilograms. If the per kilogram subsidy is Dh. 10, the entire subsidy is Dh. 30 million.

- Cardamom: The individual consumption is estimated at 50 grams a month, that is, 600 grams in a year. The general consumption is 600,000 kilograms. If the per kilogram subsidy is Dh. 10, the entire subsidy is Dh. 6 million.

The figures of this study indicate that the total subsidy required for these items is Dh. 607.5 million. Adding to it Dh. 5.5 million expenditure on the distribution centres, it totals Dh. 613 million.

The study will be submitted to the Economy and Commerce Ministry for enforcement.

The study pointed out that subsidising essential commodities is the preferred option to salary increases as it will be beneficial to everybody in the state, while salary increases will be advantageous only to the employees of ministries and government departments.

The study reveals that a family of five members can save about Dh. 3,000.

BRIEFS

PROJECTS APPROVED--Abu Dhabi, May 2 (WAM)--Crown Prince and Deputy Supreme Commander of the Armed Forces Lieutenant General Sheikh Khalifa bin Zayed today presided over a meeting of the Executive Council. The meeting endorsed several projects including a Dh. 4.5 million tender for the supply of medium and high-voltage cables and a Dh. 60 million tender for the construction of the building for Abu Dhabi Chamber of Commerce and Industry. It also approved the construction of the south-west breakwater and a breakwater on Sadiyat at a cost of 60 million dirhams. It approved among other things the appointment of consultants for supervising the building of the Al Ain agricultural experiment station, a tender on the construction of two roundabouts and a road leading to the Abu Dhabi Intercontinental Hotel, a tender on the construction of a police station in Sadiyat, additional works for Bani Yas police station, the nomination of 40 firms to supervise the construction of 40 low-cost houses in Al Mafraq and the payment of final instalments to contractors. [Text] [Abu Dhabi EMIRATES NEWS in English 3 May 81 p 3]

HOUSING TO RURAL AREAS--UAE authorities have introduced a scheme to improve the housing standards of the country. Under the scheme villages have been given a facelift and a total of 2000 low cost houses have been distributed to the citizens who were hitherto living in traditional settlements. Permanent modern housing facilities have been provided in the remote areas with essential benefits like proper water supply and electricity. These areas are reached by good roads and also served with a mosque for the religious needs of the people. Adequate medical facilities have also been provided. The government is planning to construct up to 9000 low cost houses in various parts of the country in the near future. [Text] [Kuwait ARAB TIMES in English 9 Apr 81 p 13]

UAE, FRG OIL DRILLING AGREEMENT--Abu Dhabi, 3 May (ENA)--His Highness Lt Gen Shaykh Khalifah ibn Zayid, the heir apparent and deputy commander in chief of the armed forces, signed in his office at noon today an agreement with the West German consortium Deminex to drill for oil in the Abu Dhabi Emirate in a 1,838 square kilometer area northwest of abu al-Abyad island. His Highness Lt Gen Shaykh Khalifah told ENA that the agreement, the first of its kind in the Gulf area with German companies, opens a new phase of cooperation between the UAE and West Germany in the interests of both peoples. It also provides opportunities for benefiting from technology in the petroleum field. Dr Man'i Sa'id al-'Utaybah, petroleum and mineral resources minister, who attended the signing of the agreement, said that the West German companies have undertaken to spend \$5 million on oil drilling activities during the first 8 years of the 35-year concession period. Moreover, the government of Abu Dhabi is entitled to share in no less than 60 percent of the capital of the company holding the concession after oil is discovered. The company has also undertaken to pay \$2 million as a signature bonus and another \$2 million when oil is discovered in addition to further sums as rent for the concession area. [Text] [JN031505 Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1320 GMT 3 May 81]

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